Annual Report
2023

NORTH MEDIA A/S

Gladsaxe Møllevej 28, 2860 Søborg
CVR-no. 66 59 01 19

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The Annual Report 2023 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.

At a glance

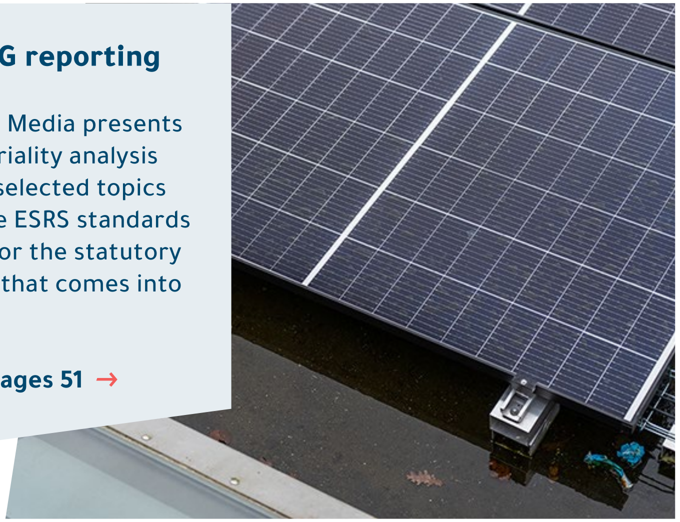
North Media develop platforms for transactions that bring businesses and consumers together and have organised our operations into two business areas: Last Mile og Digital Services.

Read more on pages 3 →

Enhanced ESG reporting

This year, North Media presents its double materiality analysis and reports on selected topics according to the ESRS standards in preparation for the statutory CSRD reporting that comes into force in 2024.

Read more on pages 51 →



At a glance

North Media develop and operates platforms for transactions that bring businesses and consumers together. We match consumers with the right products, whether they are looking for groceries, rental housing, jobs or digital access solutions.

The Group's two business areas bridge the gap between value and growth:

- FK Distribution packs and distributes local weekly newspapers in Denmark and operates the digital platform minetilbud
- SDR Svensk Direktreklam packs and distributes local weekly newspapers in Sweden
- BoligPortal matches landlords and tenants to rental properties and related services in Denmark and Sweden.
- Ofir mediates jobs from private and public employers in Denmark.
- Bekey delivers digital access solutions for locked stairwells and private homes for the use of homecare services in Denmark and Norway.

Retailers, other types of advertisers and local newspapers

Letting agents and landlords

Employers

Distributors homecare staff etc.

Last Mile

Digital Services

FK Distribution	SDR Svensk Direktreklam	BoligPortal	Ofir	Bekey
Nationwide distributions of **1.2 billion** leaflets, local newspapers and direct mail in Denmark per year Digital platform with **>100 mio.** views of leaflets and catalogues per year	Nationwide distributions of **1.2 billion** leaflets and newspaper in Sweden per year	Marketed of **>121.000** home rentals in DK per year	Platform for **>39.000** annual number of job postings	Digital access solutions **>16 million** number of doors opened annually

Consumers in a broad sense

Home seekers

Job seekers

Residents

Preface

2023 – A good year for the Group

2023 - a year of satisfactory financial results and intensified efforts on sustainability and ESG reporting

2023 was a satisfactory year. We knew that some of our businesses were still affected by the overall eco-nomic climate and generally uncertain market conditions. Against this backdrop, the results of the Group's opera-tions were satisfactory - de-spite a downturn in both revenue and earnings.

In the course of 2023, we announced our stra-tegic initiatives as they materialised. We strengthened the executive boards - of both the parent company North Media and some of our subsidiaries.

At the end of 2023, we showed how we exe-cuted on our ambitions for dynamic growth through acquisitions. The large acquisition of SDR Svensk Direktreklam AB and the some-what smaller acquisition of Avious technology with the aim of supporting our distribution of digital leaflets. Concurrently with all this, we stepped up our efforts on sustainability and ESG reporting.

Scandinavian ambitions of the Last Mile business area

Our largest business, FK Distribution, operates in a market characterised by continuing con-solidation among retailers, persistently high prices of paper and declining advertising sales for local newspapers. As expected, this led to a drop in volumes in 2023, which impacted our financial results. However, the market-driven and, to a lesser extent, structural drop in volume softened in the second half of 2023 compared to the year-earlier period, as expected, as some customers decided to in-crease the distribution of their leaflets again.

According to a survey conducted by research company GfK of the impact of Danish consum-ers' use of leaflets, a household can on aver-age save more than DKK 10,000 annually by shopping focused for products advertised in the printed leaflets. The high value of leaf-lets to retailers and consumers alike is both well-known and well-established.

In May 2023, we welcomed Andreas Hald as new CEO of FK Distribution. Bringing almost 25 years of experience to the job from logis-tics, distribution and transport services, his brief is to run and renew the business from a more international perspective.

In December 2023, we acquired SDR Svensk Direktreklam AB. SDR is Sweden's largest distributor of leaflets, and the acquisition is consistent with our strategy to acquire, run and optimise high-volume businesses in areas where we possess special strength and in-sights and in markets similar to the Danish market.

FK Distribution and SDR have different busi-ness and distribution models, but they also share a number of characteristics that offer a potential for mutual development of products and infrastructure from a Scandinavian per-spective.

A focus area for us in 2024 will be to succeed with a smooth integration of SDR and to es-tablish a strategic and operational collabora-tion and business development path together with FK Distribution.

At the turn of the year, we also strengthened the market position of the minetilbud digital offers platform by acquiring and taking over software company Aviou's business opera-tions involving the publication of online cata-logues and offers.

A mixed year for Digital Services

BoligPortal delivered revenue in excess of DKK 100 million for the first time and better-than-expected financial results, driven by in-creased advertising revenue from land-lords. We acquired the remaining 49% of Bolig-manager in 2023, and we did it earlier than planned in order to boost and accelerate product development. Concurrently, the com-pany continued to execute on its trans-for-mation and growth strategy towards the objective of a full integration of all of Bolig-Portal's activities so that they form a com-plete universe for tenants and landlords.

Ofir and Bekey both delivered unsatisfactory revenue performance.

Ofir's business model was a success during the years of strong growth in the job ads mar-ket, but current general economic trends in Denmark have made it clear that it is essential for the business to become less cyclical and more scalable. In the autumn of 2023, Lucas Carstensen Castenborg was appointed CEO of Ofir in charge of driving this transformation process.

Bekey's revenue performance was unsatisfac-tory and, in response, management reas-sessed the business and market approach during 2023. In addition to establishing the required infrastructure to ensure scalability and future growth, residents' use of the stair-well access and access approval will also be a focal point for Bekey going for-ward. A con-cept will be developed for the new business area in 2024.

Strengthened Group Executive Board set to execute on strategy

In April 2022, we appointed a new Group Executive Board to strengthen business development, accelerate the pace of execution and enhance profitable - and acquisitive - growth. From May 2023, Lasse Brodt has devoted all his time to this task after having handed over responsibility for FK Distribution to Andreas Hald. In October, the Group Executive Board was further strengthened when Martin Tobberup joined as Chief Development Officer (CDO), heading up the Group's digital operations and development. He is tasked with ensuring that the Group runs and develops its businesses, using the latest advancements in technology and according to uniform principles.

We aim to have a strong Group Executive Board with a remit to execute on North Media's strategic ambitions. It is our clear ambition to generate growth and earnings improvements, and we are aware that the existing businesses, viewed separately, will not be able to achieve this ambition to a sufficient degree. Accordingly, acquisitions are a key element of our strategic focus, as demonstrated at the end of 2023.

The Group's overall strategic direction and ambition:

Last Mile

- Develop business operations and expand the markets for packing and distribution in Denmark and Sweden.
- Build a model for automated addressed packing in neighbouring markets
- New and strengthened management of the minetilbud platform is to accelerate growth and business development. minetilbud will be transferred to Digital Services in 2024.
- Last Mile is to grow through a combination of organic and acquisitive growth.

Digital Services

BoligPortal:

- Build a stronger market position in Scandinavia based on data-driven, automated digital services provided in a complete universe in the rental housing market.
- BoligPortal is to grow through a combination of organic and acquisitive growth.

Ofir og Bekey:

- Create long-term and profitable business models.

Capital resources

Having strong financial resources is part of our strategy. We demonstrated in 2023 that we will use them to practise our value of positive aggressiveness by exploiting the opportunities for growth as they arise in existing and complementary markets.

Cutting carbon emissions

In spring 2022, we also set up a new centralised function for sustainability. The purpose was partly to strengthen and drive sustainability in our businesses, partly to prepare us for increased ESG reporting requirements effective from the 2024 financial year.

The work is well underway, and this is why we have decided to include our double materiality assessment already in this Annual Report and to report on selected topics according to the European Sustainability Reporting Standards (ESRS), which become mandatory for listed companies as from the 2024 financial year.

We welcome this legislation and would like to demonstrate our commitment by being first movers in this field.

With targets for both growth and our contribution to carbon emission reductions in the markets we operate in, we expect to invest in technologies designed for this purpose.

We will continue working on the strategic ambitions and qualifying them. We are still early in the process, and the markets are still too unstable/volatile for us to specify a time frame and a budget or to set new targets for the medium term.

Dividend for 2023 and market conditions in the year ahead

In line with our policy to pay out a dividend based on the financial performance, we propose to the shareholders at the General Meeting that a dividend of DKK 4 per share be paid.

In 2024, we expect continued and considerable geopolitical unrest in Europe and the Middle East, whereas macroeconomic factors such as inflation and interest rates seem to have stabilised at slightly lower levels at the beginning of the year. In this context, we generally expect reduced uncertainty, but also weak growth in our local markets com-pared with 2023 - but we have learned that the situation may change quickly.

We continue to expect that door-to-door distribution of leaflets combined with digital distribution will remain an important marketing channel for retailers. With the acquisition of SDR Svensk Direktreklam, we can now exploit our economies of scale in an even bigger market. We intend to spend 2024 adapting these economies of scale, so that we may produce visible financial results of this process in 2025.

BoligPortal has a robust business model whereby the different ser-vices are to be integrated and combined into a complete universe for the users. BoligPortal, too, operates in both Denmark and Swe-den.

In Ofir, the internal infrastructure plans are to be in place for us to define the future scalable and profitable business model, and in Bekey, a concept must be developed for a new business area. These initiatives will cause our costs to rise in the short term - knowing that additional and other skills will be needed to achieve our ambitions for growth in the longer term.

Thank you

We would like to thank all our employees for their dedicated efforts during these uncertain times. And to thank our customers - and their customers - our business partners and shareholders.

The Board of Directors and the Executive Board

Group financial highlights

DKKm	2023	2022	2021	2020	2019
Income statement					
Revenue	949.1	995.3	1,033.6	1,045.4	1,045.6
Gross profit	538.3	562.9	620.5	619.8	522.7
EBITDA	176.9	219.2	292.2	270.4	193.2
Amortisation, depreciation and impairments losses etc.	27.0	27.7	47.8	30.2	27.3
EBIT	149.9	191.5	244.4	240.2	170.0
Return on securities	189.3	-194.2	103.2	154.5	122.1
Financials, net	-1.7	-3.3	-4.8	-5.5	-11.6
Profit/loss before tax	340.1	1.4	347.0	388.1	275.6
Tax on profit/loss for the year	-75.7	0.7	-73.4	-85.1	-64.1
Net profit for the year	264.4	2.1	273.6	306.5	205.3
Comprehensive income	264.1	2.1	273.3	306.8	205.1
Net profit excluding return on securities	116.7	153.6	193.1	186.0	110.1
Balance sheet, year end					
Total assets	1,612.9	1,211.3	1,320.6	1,189.1	967.8
Shareholders' equity incl. minorities	1,156.4	995.4	1,080.0	879.0	671.2
Net interest-bearing cash position	568.8	635.3	758.0	579.0	334.9
Properties	242.0	250.4	246.4	248.2	257.2
Mortgage Debt	-108.6	-113.4	-118.1	-122.8	-127.5
Capital resources	812.8	764.3	882.8	738.9	484.7
Net working capital (NWC)	-38.8	-7.6	-33.7	-58.4	-41.3
Invested capital	587.6	360.1	322.0	300.0	336.3
Investments in property, plant and equipment	**16.3	20.3	18.8	10.6	11.7
Free cash flow	157.1	170.7	224.3	291.3	177.8

Reference is made to Note 3 for Ratio definitions.
*Key figures have been adjusted for discontinued operations in 2019.
**The figure does not include tangible assets taken over as part of the SDR transaction, cf. note 36

DKKm	2023	2022	2021	2020	2019
Cash flow statement					
Cash flows from operating activities	126.1	191.3	156.1	218.6	132.1
Cash flows from investing activities	-40.2	-43.8	-88.2	-47.2	-31.3
Cash flows from financing activities	-112.3	-90.4	-91.7	-110.4	-83.0
Other information					
Average number of employees	399	420	411	445	461
Average number of deliverer	711	770	825	874	1,263
Number of shares at year-end, in thousand in denominations of DKK5	20,055	20,055	20,055	20,055	20,055
Treasury shares (thousands)	2,085	1,629	1,909	2,100	1,600
Share price at year-end, DKK	65.0	57.0	108.0	79.8	44.5
Ratios					
(DKK)					
Gross margin (%)	56.7%	56.6%	60.0%	59.3%	50.0%
EBIT margin (%)	15.8%	19.2%	23.6%	23.0%	16.3%
Equity ratio (%)	71.7%	82.2%	81.8%	73.9%	69.4%
Return on equity (ROE) (%)	24.6%	0.2%	27.9%	39.5%	33.9%
Return on capital employed (ROIC)	31.6%	56.2%	78.6%	75.5%	50.1%
Earnings per share (EPS)	14.3	0.1	15.0	16.9	11.0
Diluted earnings per share (EPS-D)	14.3	0.1	14.7	16.7	11.0
Earnings per share excluding return on securities (EPS-adj)	6.3	8.3	10.6	10.3	5.9
Price/Earnings (P/E)	4.5	570.0	7.2	4.7	4.0
Price/Book Value (P/BV)	1.1	1.1	2.0	1.8	1.3
Cash flow per share (CFPS)	6.8	10.4	8.6	12.1	7.1
Proposed/paid dividend per share for the financial year	4.0	4.0	5.0	5.0	4.0
Proposed/paid dividend in % of the year's result excluding return on securities	61.6%	48.0%	47.0%	48.3%	67.0%

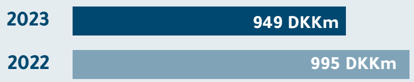
Results

The overall financial objectives for 2023 were achieved

Revenue

Consolidated revenue fell by 5%. Full-year revenue was down by 6% in Last Mile, but up by 4% in Digital Services.

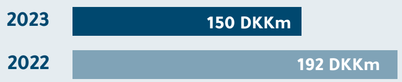
949 DKKm



EBIT

Consolidated EBIT fell by DKK 42m. In Last Mile, EBIT was down by DKK 31m due to reduced volumes. Unallocated expenses increased by DKK 8m, mainly due to costs related to the acquisition of SDR Svensk Direktreklam.

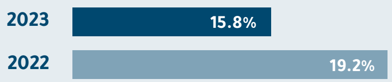
150 DKKm



EBIT margin

The decline in EBIT reduced the EBIT margin by 3.4 percentage points. The EBIT margin was 19.6% in Last Mile and 6.3% in Digital Services.

15.8%



The overall strategic goal of dynamic growth was achieved through the purchase of SDR Svensk Direktreklam

Better than expected

- BoligPortal's income from landlord advertising

As expected

- The partly structural decline in volumes of printed matter at FK Distribution was lower in Q3 and Q4 than in the first two quarters of the year.
- Tight cost management by FK Distribution mitigated the impact on EBIT of reduced volumes of leaflets and weekly newspapers.
- FK Distribution's small business segment, selected mail items, continued to deliver growth.
- Bekey reported a revenue improvement in licence and service agreements in its Homecare DK segment.

Not as expected

- FK Distribution did not record growth in minetilbud activities.
- BoligPortal's Boligmanager product lost momentum, and the launch of SaaS solutions took longer than anticipated.
- Ofir failed to win more contracts with major corporations.
- Ofir arranged fewer paid job ads and customers favoured cheaper advertising packages.
- Bekey's distribution and property segments continued to grow more slowly than anticipated, and there were no replacement projects or new customers in the homecare segment.

Performance by business area – Q4 2023

Last Mile

Q4 2023 (Q4 2022) (DKKm)

FK Distribution

- Revenue from packing and distribution of leaflets and local newspapers dropped by 6%, while the small product category, selected mail items, covering e.g. magazines, trade journals and the product 'Alt til Erhverv', produced revenue growth.
- Compared to the corresponding period of last year when customers cut down on distributed volumes due to the record-high prices of paper, customers no longer cancelled planned campaigns and some, in fact, increased the distribution of leaflets in order to increase their sales.
- Total leaflet volumes fell by 9.2% relative to Q4 2022. Newspaper volumes were down by 17%.
- The digital platform, minetilbud.dk, recorded negative growth of 6% due to delays in the development of new products and services.
- Deutsche Post has announced that they will discontinue their product Einkauf Aktuell, covering distribution of unaddressed printed matter. This collaboration is being phased out.
- EBIT declined due to lower volumes, higher costs across the value chain as well as changes to the customer and product mix. The effects of these factors were partly offset by cost savings

Revenue	EBIT	EBIT margin
208	47	22.5%
(221)	(58)	(26.2%)

Digital Services

Q4 2023 (Q4 2022) (DKKm)

BoligPortal

- Revenue was up by 10%, driven by higher add revenue from landlords and more home rentals listed on the platform
- In Sweden, the company continued its efforts to position Bostadsportal.se as a professional business partner and to drive up the number of own listings on the platform.
- New products increased revenue by 16% and accounted for 11% of total revenue.
- EBIT was up by 22% and the EBIT margin was 32% in Q4 2023.

Revenue	25.6 (23.2)
EBIT	8.2 (6.7)

Ofir

- The flat revenue development reflected that the general market for job advertisements has stabilised at a new and lower level
- The EBIT loss was impacted by an increase in costs of business development and of a new data platform.
- Lucas Castenborg Carstensen took up the position as new CEO as of 1 October 2023.

Revenue	8.7 (8.7)
EBIT	-1.9 (-0.5)

Bekey

- Revenue was down by 5%, partly affected by sales of hardware within Home Care decreased 18%
- Licence and service revenue was up by 1% and made up 73% of revenue (69%)
- Revenue from the Distributors and Properties segments dropped and accounted for around 5% of total revenue.
- EBIT was affected by costs of establishing a new IT development team in Denmark.

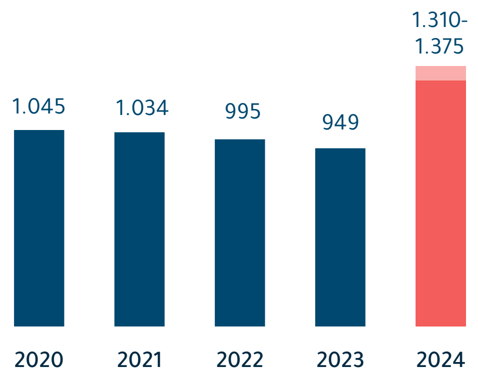
Revenue	5.8 (6.1)
EBIT	-5.2 (-3.5)

Revenue	EBIT	EBIT margin
40	1	2.7%
(38)	(3)	(7.1%)

Group guidance for 2024

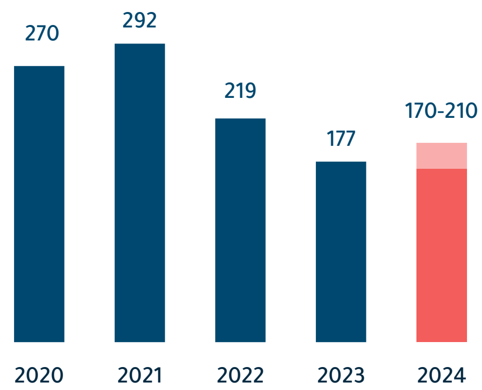
In 2024, significant revenue growth is expected due to the acquisition of SDR Svensk Direktreklam

Group revenue (DKKm)



The Group's revenue is expected to amount to DKK 1,310 - 1,375m. Consolidated revenue is thus expected to be approx. 40% higher than in 2023, primarily driven by the purchase of SDR.

EBITDA (DKKm)



The Group's EBITDA is expected to amount to DKK 170 - 210m in 2024. EBITDA is thus expected to be between DKK 7 million lower and DKK 33 million higher lower than the result in 2023.

The Group's EBIT in 2024 is expected to be DKK 0-40 million lower than in 2023. This is primarily due to increase in both ordinary and purchase price depreciation related to the acquisition of SDR Svensk Direktreklam

Guidance for group financial highlights 2024 (DKm)

Revenue

1.310 - 1.375

Actual results 2023:	**949**
Actual results 2022:	**995**

EBITDA

170 -210

Actual results 2023:	**177**
Actual results 2022:	**219**

EBIT

110 - 150

Actual results 2023:	**150**
Actual results 2022:	**192**

Last Mile's guidance FY 2024

Last Mile expect higher revenue and EBITDA

FK Distribution

- Revenue is expected to be on par with 2023
- General uncertainty in society has been reduced and a higher degree of stability is expected, despite significant geopolitical turmoil in parts of the world and stabilised interest rate and inflation levels
- Despite less uncertainty, Danes' price awareness and thus interest in finding good deals is increasing
- In 2024, the volume of leaflets and newspapers is expected to be approx. 4% lower
- Minetilbud are expected to be moved to the Digital Services business during 2024. Costs are expected to increase in order to accelerate growth in minetilbud.

Guidance for 2024 (DKKm)

Revenue:	770-795
EBITDA:	134-152
EBIT:	120-138

Actual 2023 (DKKm)

Revenue:	784.6
EBITDA:	165.5
EBIT:	153.6

Svensk Direktreklam

- If the operation of SDR had been part of Last Mile business area in 2023, SDR would have contributed to the business result as follow:
  - Revenue: DKK 365m
  - EBITDA: DKK 43m
  - EBIT: DKK 26m
- In 2024, amortization and depreciation related to the purchase price for SDR are expected to amount to DKK 24m
- Integration in North Media and Last Mile
- Streamline and product development in collaboration with FK Distribution
- Rate DKK/SEK: 0,6717

Guidance for 2024 (DKKm)

Revenue:	375-400
EBITDA:	41-53
EBIT:	7-19

Revenue	EBITDA	EBIT
1,145-1,195	175-205	127-157
(2023: 785)	(2023: 166)	(2023: 154)

Digital Service's guidance FY 2024

In Digital Service, revenue growth of around 5% is expected, driven by BoligPortal Ofir og Bekey expect unchanged revenue and a lower EBITDA

BoligPortal

- Revenue growth is expected at around 8%
- BoligPortal expects growth in 2024 to be driven by the new products and services, Data Insights and Boligmanager as well as in BostadsPortal
- EBITDA is expected in 2024 at or slightly lower than in 2023 due to higher costs to integrate all services into a unified universe and to accelerate product development in Boligmanager

Guidance for 2024 (DKKm)

Revenue:	111-120
EBITDA:	36-40
EBIT:	32-36

Actual 2023 (DKKm)

Revenue:	107.0
EBITDA:	39.6
EBIT:	35.4

Ofir

- Ofir expects the market in 2024 at the level or 2023 and hence a flat revenue development in 2024
- The new management launches new overall strategy, which among other things must be less cyclical and with increased focus on selected groupings of companies

Guidance for 2024 (DKKm)

Revenue:	32-35
EBITDA:	-12 to -9
EBIT:	-12 to -9

Actual 2023 (DKKm)

Revenue:	34.0
EBITDA:	-5.0
EBIT:	-5.1

Bekey

- Revenue is expected to remain un-changed in 2024
- Stable income from service and li-cense agreements
- Develop business concept for residents solution
- EBITDA continues to be negatively impacted by in-creased costs to expand the foundation and infrastruc-ture in order to scale the business going forward

Guidance for 2024 (DKKm)

Revenue:	22-25
EBITDA:	-24 to -21
EBIT:	-24 to -21

Actual 2023 (DKKm)

Revenue:	23.5
EBITDA:	-19.5
EBIT:	-19.9

Revenue	EBITDA	EBIT
165-180	0-10	-5 to 5
(2023: 165)	(2023: 15)	(2023: 10)

Capital resources and dividend policy

Capital resources

North Media places a significant proportion of its capital resources in highly liquid listed shares and marketable share-based investment associations, such as stocks in the C25 or similar international indices because equities are expected to provide a better return over time than interest income on bank deposits. The rest of the capital resources are held as cash.

North Media had capital resources of DKK 813m at 31 December 2023 (2022: DKK 764m), consisting of DKK 161m in cash and DKK 652m in marketable securities.

During the year, capital resources increased with cash flows from operating activities of DKK 126 million, together with returns on securities amounted to DKK 189 million. The purchase of SDR Svensk Direktreklam AB and ERGO Consult AB in December 2023 affected liquidity negatively by DKK 146 million. DKK. In addition, the capital reserve was used for dividend payments of DKK 74m, and a purchase of own shares to a value of DKK 36m.

Capital structure policy

North Media maintains strong financial resources in order to support long-term value creation and to capitalise on new business opportunities.

Having strong financial resources allows North Media to take a long-term approach, even during volatile conditions, and to continue its strategic focus on infrastructure, technology, innovation and scaling the business. It also gives the Group the strength needed to capitalise on opportunities arising in the market, such as company acquisitions offering distinct synergy and scaling potential or in complementary business areas.

North Media placerer kapitalberedskabet langsigtet og accepterer dermed udsving i værdipapirernes værdi - og dermed i det samlede kapitalberedskab. Det skal derfor være stort nok til, at der også er frihed og uafhængighed i perioder, hvor værdien af aktieporteføljen måtte falde.

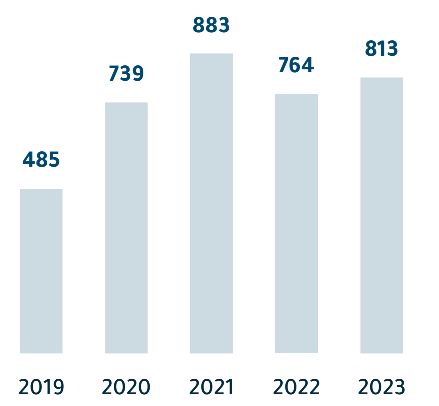
Since the end of 2015, the value of the securities portfolio has appreciated from DKK 196m to DKK 652m. Of this value accretion, DKK 408m was driven by capital value appreciation, while the remaining DKK 48m was from net purchases.

Dividend policy

North Media's policy is to pay a dividend that reflect the operating profit before the return on securities.

Dividend distributions may occasionally be supplemented by share buybacks if the Board of Directors deems this expedient for the Company and its shareholders.

Capital resources DKKm



Purpose of our capital resources

- To maintain sufficient financial strength to exploit market opportunities, meet strategic objectives and to fend off changes in competition
- To have the financial strength to acquire businesses that hold a potential for positive synergies and scalability
- To be financially robust enough to withstand significant changes in society
- North Media will only raise debt in the form of long-term mortgage loans secured against its real property.
- To remain independent of bank debt and of capital contributions from shareholders.

Last Mile

The acquisition of SDR Svensk Direktreklam expands Last Miles' business area for unaddressed printed matter and local newspapers to Sweden. FK Distribution and SDR have differences in value chains, degree of automation in packaging processes and distribution models, while markets also have a number of common characteristics with potential for mutual development of products and infrastructure.

The acquisition of SDR in December 2023 is part of North Media's overall strategy to buy, operate and optimise volume businesses in areas where the Group has particular strength and insight and in markets similar to the Danish market. At the same time, it is in line with the ambition to drive and renew

FK Distribution's business model with a more international perspective and take advantage of the technological leads, including in the form of machine packaging and integrated handling of NoAds schemes, which the company has develop over the years.

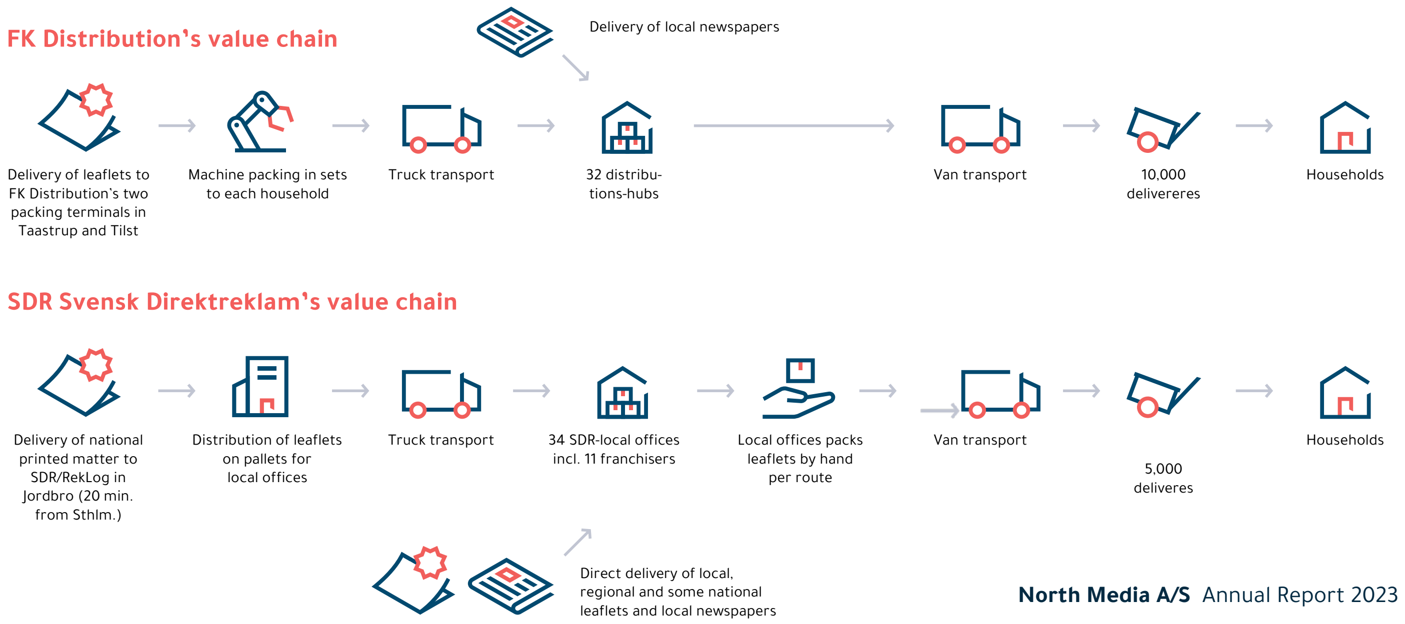
With leading positions in Denmark and Sweden in the market for packaging and distribution of unaddressed printed matter and local newspapers, and with potential for synergies and optimizations - it is also the ambition over the coming years to build an international model for addressed packaging either through organic or dynamic development.

NoAds Schemes in Scandinavia

All markets in Scandinavia, and in the EU, have schemes for NoAds Leaflets and local newspapers, while only Denmark has a NoAds + scheme, where the consumer can choose to receive selected printed matter. FK Distribution manages all Danish households' registrations for the various schemes in a database connected to the CPR register. That ensure smooth handling, just as other distribution companies can purchase updated lists for their own purposes. In the rest of Scandinavia, consumer registrations are not collected in or linked to a central register and therefore dependent on a distribution company's own records.

Different business models with potential for synergies and sharing best practices

FK Distribution SDR Svensk Direktreklam have different value chains, degree of automation in packaging processes and distribution models, but also potential for a number of synergies.



FK DISTRIBUTION

About FK Distribution

FK Distribution is one of Denmark's largest distributors of advertising material and information from retailers to consumers. Offers are distributed both as printed matter and in digital form, and FK Distribution is a leading distributor of door drop media and local weekly newspapers. FK Distribution's auto-mated and cost-efficient technologies for packing and distributing to named households makes it a market leader - not only in Denmark.

Packing and distributing to private households in Denmark:

- **1.1+** billion leaflets, local newspapers and selected mail items
- Leaflets for **1.9** million households - every week - (62% of all households in Denmark)
- This includes distribution to **+480,000** households every week under the NoAds+ solution allowing consumers to choose what printed matter they want to receive
- Local weekly newspapers to **+2.2** million households (76% of all households in Denmark)
- Direct mail to **3.0** million households

Digital offer solutions

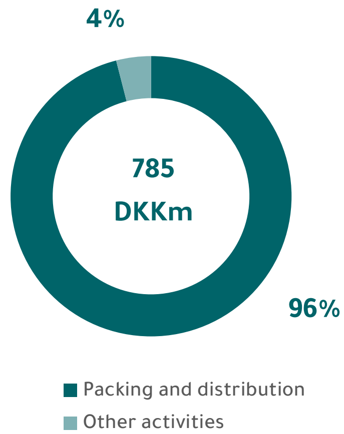
- **1.6+** million users (33% of Danish consumers aged 18 or over)
- **100+** million annual reads

Results for 2023

FK Distribution's financial results were as guided for at the beginning of the year. Revenue was down by 6% to DKK 785 million due to consolidation among retailers, persistently high prices of paper and a drop in the volume of weekly newspapers following lower advertising sales. However, the drop in volume YoY was lower in the second half, as expected. EBIT was DKK 154 million, for an EBIT margin of 19.6%.

Highlights (DKKm)	2023	2022	2021
Revenue	784.6	836.5	888.8
EBITDA	165.5	198.2	263.8
EBIT	153.6	184.7	249.0
EBITDA margin	48.5%	23.7%	29.7%
EBIT margin	19.6%	22.1%	28.0%
Average number of employees	276	293	300

Revenue in 2023



Change in revenue in 2023

-6%

EBIT margin in 2023

20%

Revenue

Especially in the first half of 2023, FK Distribution's customers remained affected by the significant price increases on paper that occurred in 2022. Combined with consolidation among retailers as well as reduced publication frequencies and reduced advertising sales for local weekly newspapers, this had a negative impact on revenue. In the course of 2023, paper prices plunged by some 30% to a stable level, giving customers greater security and visibility in the market in the second half of 2023, and causing several customers once again to increase the distribution of leaflets in order to lift sales. Against this backdrop, the structural and market-driven full-year decline in volumes of printed matter was around 10%, while the adjustment in prices was around 5%. The decline in volumes of local newspapers was larger than expected.

The smaller business area of selected mail items delivered satisfactory growth, mainly driven by a new business concept and an inflow of new customers. Revenue from the digital offer platform, minetilbud, was down by 3% due to fewer new catalogues. The upward trend in the number of reads of available leaflets continued.

Earnings

EBIT decreased to DKK 153.6 million, from DKK 184.7 million in 2022, due to the reduction in revenue. However, declining volumes also meant lower distribution, logistics and capacity costs, but was not enough to offset the overall drop in earnings. The EBIT margin was 19.6% (2022: 22.1%).

Retaining the NoAds scheme

The Danish government decided in November 2023 to retain the existing NoAds scheme for door drop advertising. The survey behind this decision showed that the NoAds scheme supports social cohesion in Denmark, in part by playing an important role in ensuring good shopping facilities in local communities. The survey concluded that printed leaflets can actually help small retail stores remain visible and reach their customers.

Market surveys conducted by Kantar TNS Gallup, GfK and Acceleration in 2023 also confirmed that door-to-door distribution of leaflets is highly efficient and guides consumers' purchases.

Guidance for 2023 (DKKm)	**Revenue**	**EBIT**
8 February 2023	760-800	135-160
3 May 2023	760-800	135-160
16 August 2023	775-800	145-160
1 November 2023	778-792	148-158
Actual results	784.6	153.6

Andreas Hald appointed CEO

FK Distribution appointed Andreas Hald as its new CEO as of 1 May 2023. Bringing almost 25 years of experience to the job from logistics, distribution and transport services, his brief is to expand the company's position in Denmark while also directing it more towards the international market to profit from FK Distribution's technological edge.

Business developments

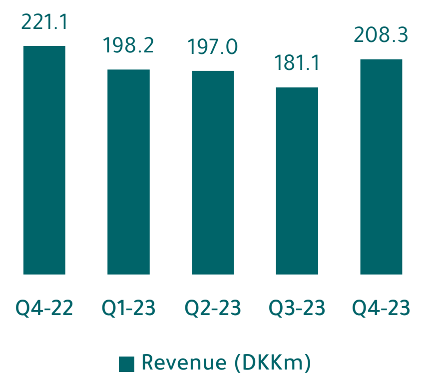
Despite considerable general economic un-certainty in 2023, market developments and consumer purchasing power stabilised to-wards the end of the year amid continued macroeconomic and geopolitical challenges.

Leaflets

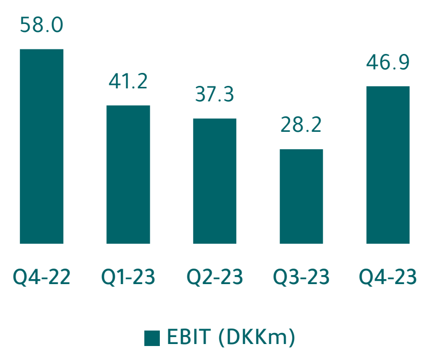
Again in 2023, leaflets remained retailers' strongest marketing channel when it comes to selling products. While some supermarket chains reduced the frequency, others, including a nationwide electronics chain, tested the marketing value of leaflets and consequently chose to increase their distribution frequency in the second half of 2023. Consumer demand for offers remained high, and FK Distribution got access to an increased number of mailboxes as more consumers made an active decision on leaflets. Some 54% of all Danish households have subscribed to the NoAds scheme of which 16% has subscribed to the NoAds+ scheme.

Supermarket chains account for a growing share of the overall volume, and a substantial part of the agreements for 2024 have already been entered into.

Quarterly revenue



Quarterly EBIT



Local newspapers

On the back of higher prices of paper and declining advertising sales, a number of weekly newspapers chose to reduce their page counts, distribution areas and frequencies in 2023. FK Distribution is an important partner.

Selected mail items

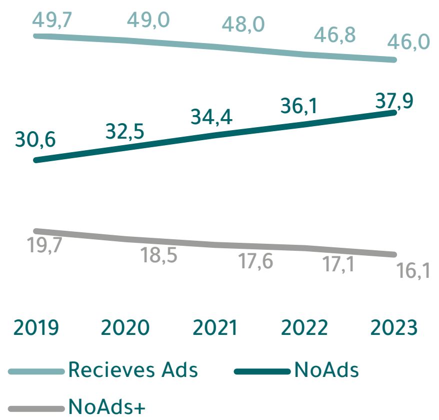
Selected mail items is FK Distribution's data-driven solution, enabling advertisers to reach - in print - specific mailboxes where interest in a given product or service is expected to be particularly strong. Selected mail generated growth in 2023, partly thanks to a new business product, but also due to an inflow of new customers. Selected mail is still at the development stage and is expected to have its commercial breakthrough in the next few years. In 2023, a broad political agreement on a new postal services act was reached, whereby the Danish universal service obligation ceased to apply. This is expected to increase competition for access to the mail-boxes of Danish households and may imply yet another growth opportunity for selected mail items.

Digital offer solutions: minetilbud

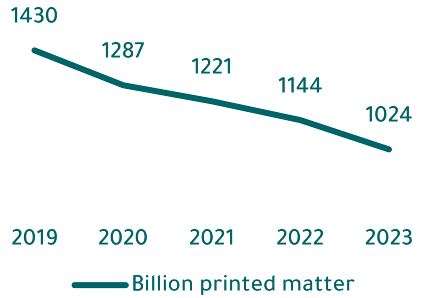
The platform's main customer base is the retail sector, but other customer types and segments also use minetilbud. The growth potential is driven by both existing and new customers as well as development of new digital formats.

To strengthen minetilbud's market position, FK Distribution on 1 January 2024 acquired and took over a technology developed by Danish software firm Aviou for publishing online catalogues and offers. This technology makes it easier for companies to publish and revise digital catalogues, thereby enhancing the options for managing and marketing offers, while providing an inspiring user experience on minetilbud's platform.

Trend in households registering for the NoAds and NoAds+ schemes (%)



Total volume of unaddressed mail (in millions)



minetilbud are expected to be moved to the Digital Services business area during 2024. This will take place, among other things, to increase the speed of development. In this connection, Lasse Gubbertsen was appointed new CEO of minetilbud as of 1 February 2024.

FK Distribution's appeal against the Competition and Consumer Authority's order in June 2020 against tying digital with physical advertising is still pending, see description note 30.

Deutsche Post

In 2020, FK Distribution signed an agreement with Deutsche Post to package leaflets for households in northern Germany. The agreement runs until April 2024. Deutsche Post has announced that they will discontinue their product Einkauf Aktuell, covering distribution of unaddressed printed matter in Germany. The distribution will be discontinued at the end of March 2024 when FK Distribution's agreement with Deutsche Post terminates.

Follow-up on 2023

Objectives for 2023	Progress
Strict cost management	→
New products in selected mail items	→
Increase revenue in minetilbud	↓
Connection to SBTi	→
Deutsche Post volume	↓
Search for opportunities in new nearby areas	→

Strategic priorities

FK Distribution's ambition remains being the permanent nationwide distributor of printed matter, magazines and weekly newspapers. The goal is to offset a structural volume drop in the core business by growth in other business activities, such as selected mail items. On the international stage, FK Distribution seek to develop its business concept through the sale of packing services from its two Danish packing terminals as well as the sale of its expert know-how. This approach is to provide the basis for stable revenue and an attractive EBIT margin.

FK Distribution's business concept is based on the three basic concepts of a high-volume business: Quality, infrastructure and profitability. They are the essence of constant efforts to optimise the business, including IT systems, attracting and retaining employees, logistics, optimising route networks as well as a general focus on costs.

In its efforts to achieve this target, FK Distribution works along four overall tracks:

- Operations - optimising its own infrastructure, organisation and distribution network, offering high quality and low costs.
- Commercial - retaining and developing the position as customers' and consumers' most important channel for distributing special offers and information.
- International - penetrating new neighbouring markets using cost-efficient technology and logistics solutions and exploiting knowledge of the NoAds and No-Ads+ schemes to implement these solutions in other markets.
- Back office/across North Media - optimising processes and procedures based on data.

FK Distribution will continue to offer weekly nationwide distribution services, giving customers access to as many 'open' mailboxes as possible, because the distribution of leaf-lets and local newspapers has a very high utility value for society. That also applies to the important role leaflets have in creating jobs, for example with printing companies and for the 10,000+ young people who get their first job in the labour market as deliverers with FK Distribution.

Guidance for 2024

Guidance for 2024 (DKKm)	
Revenue	770-795
EBITDA	134-152
EBIT	120-138

FK Distribution expects the stabilising market trend that began in the second half of 2023 to continue into 2024, albeit with slightly rising consumer purchasing power due to declining inflation and increasing real wages.

The financial guidance for 2024 is based on the following assumptions:

- A drop in revenue from leaflets of around 4%.
- The drop in volume is expected to be only partly offset by price adjustments in one-year agreements on the distribution of printed matter, which are in line with 2023
- Growth in selected mail items.
- Stable production costs, but underlying higher payroll costs due to continued strong demand for labour.

The principal risks in 2024 are considered to be: A larger-than-expected drop in leaflet volumes, low penetration rates for new selected mail products, consolidation among newspaper houses/newspaper titles, difficulty in retaining deliverers, as well as competitive and legislative changes.

Objectives for 2024

- Contribute to integration and value creation in SDR
- Grow volume of selected mail items
- Transfer minetilbud from Last Mile to Digital Services
- Explore opportunities for packing and/or making technology available in neighbouring markets
- Work with CSRD and ESG targets

Foresight makes FK Distribution's technologies unique

The development of the technologies that make FK Distribution's production and distribution system unique is enabled by a combination of forward-looking investments, constant focus on optimising the business and improving efficiency, and possessing some of the strongest skills in the market

Being probably the only private-sector distributor of unaddressed leaflets and local newspapers in the world, FK Distribution leverages technology to sort, pack and distribute individualised bundles of printed matter to named households. The unique system plans routes and transportation at packing and allows for optimum delivery of the print-ed matter both in terms of logistics and time for the carriers transporting the printed matter to the deliverers and for the individual deliverer. If there is a need to change the order of addresses on a specific route, the deliverer can register the change digitally, which is then incorporated automatically in the packing process.

IT infrastructure and proprietary development

The cornerstone of FK Distribution's leading technology position was laid in the 1970s. This was when the IT infrastructure was developed, which in 2024 still forms a part of all of the company's processes, from planning and logistics to production and the portal that all deliverers have access to. Although FK Distribution generally looks for standard IT solutions in its constant search for ways to optimise and streamline operations, modified and proprietary solutions are often what makes everything click into place.

The same applies to processes and automation in production where the company has developed its own mechanisms for collecting printed matter for a given household and for new standard robotic arms, which will be installed in 2024 for packing leaflets for further distribution.

Forward-looking investments

When the Danish market for unaddressed mail was consolidated around the end of 1990'ies, FK Distribution introduced auto-mated packing as a better and cheaper alternative to manually packed leaflets and local newspapers. This strategic initiative included investments in the building of two packing terminals with a production system designed according to the Lean principles. The company has since invested in a variety of enhancements for the packing systems for the purpose of reducing costs, increasing productivity and securing its position as a technology leader..

Industry-specific skills

Among FK Distribution's employees are people who possess some of the strongest skills in the fields of IT, logistics and production, and who have many years of experience. FK Distribution has key employees with more than 40 years' seniority, who still serve as motivators, inspirators and strong culture bearers with respect to commercial and technological advances and ensuring that all employees chip in with suggestions for changes and improvements.

Svensk Direktreklam

About SDR Svensk Direktreklam

Formed in 1976, SDR Svensk Direktreklam is Sweden's largest private-sector distributor of leaflets and local newspapers. With its nationwide network consisting of its own deliverers and a number of franchisees, SDR is the natural connecting link between retailers and consumers.

The SDR networks packing and distributing to private households in Sweden:

- **1.2+** billion leaflets, local newspapers and selected mail items in 2023
- Leaflets for **2,2** million households - every week
- Local newspapers to **4,5+** million households (92% all households in Sweden)
- **~4.800** full-time or part-time deliverers across Sweden
- Offices in 34 towns/areas, of which 11 are covered by agreements with franchisees
- Head office in Uppsala

The Swedish market for unaddressed mail shares many similarities with the Danish market, including the high efficiency of the advertising leaflets and the wide circulation of free newspapers. The Swedish market underwent a huge transformation in 2023 when PostNord discontinued its distribution of unaddressed leaflets and local newspapers. A decision and turn of events with strong parallels to the situation in Denmark in 2018.

The market

The Swedish market for the distribution of unaddressed leaflets and local newspapers has historically been dominated by two players: PostNord and SDR. In April 2023, PostNord pulled out of this market, like it did in Denmark in 2018.

Packing of leaflets for distributors and the individual route is done manually at SDR. Primarily at SDR's local offices and at franchisees, as well as in a few areas of the deliverer self.

Distribution

The distribution of local newspapers and leaflets is handled both by SDR's own network, consisting of around 4,800 full-time or part-time deliverers, and under agreements with franchisees. Distribution by its own network accounts for approx. 66%.

Strategic priorities

Given the new market situation in Sweden, SDR is now focused on expanding its position by entering into agreements with more new national, regional and local customers who previously used PostNord's packing and distribution solutions

The integration of SDR into the North Media Group will enable close collaboration with FK Distribution on identifying synergies, development opportunities and exchange of best practice. This is considered an obvious opportunity to strengthen both businesses.

Guidance for 2024

Guidance for 2024 (DKKm)	
Revenue	375-400
EBITDA	41-53
EBIT	7-19

BoligPortal

About BoligPortal

BoligPortal is the main hub for landlords and rental home seekers in Denmark. The platform lists all types of rental units - flats, rooms, terraced and detached houses, and student accommodation units. Professional and private landlords find their tenants through Boligportal.dk. BoligPortal also operates Bostadsportal.se in Sweden, which represents a significant market potential.

The home rentals platform further comprises service offerings to tenants, management services for landlords, and collection and sale of market data, thus providing a complete universe of services for the customers.

Boligportal.dk in 2023:

- Approx. **652,000** monthly visitors on the website
- **121,000+** rental units listed
- **27,000+** leases signed
- **29,000+** move-in/out inspection reports signed

Bostadsportal.se in 2023:

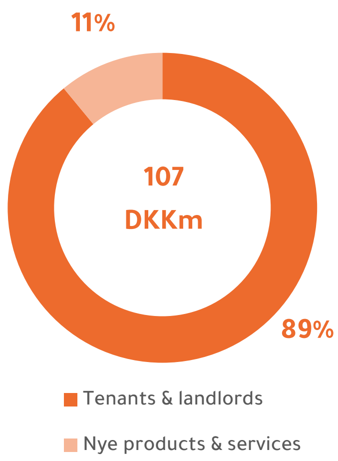
- **156,000+** visitors on the website
- **2.000+** leases signed

Performance in 2023

In 2023, BoligPortal's revenue topped DKK 100 million for the first time. With total growth at 14%, revenue rose to DKK 107 million, mainly due to increased advertising revenue from landlords. EBIT was up by 46% to DKK 35 million, driven by the growth in revenue and stable capacity costs. The EBIT margin increased correspondingly to 33%. The company continued to execute on its transformation and growth strategy.

Highlights (DKKm)	2023	2022	2021
Revenue	107.0	93.9	84.8
EBITDA	39.6	28.3	29.6
EBIT	35.4	24.2	26.8
EBITDA margin	37.0%	30.1%	34.9%
EBIT margin	33.1%	25.8%	31.6%
Average number of employees	57	55	46
Units listed on the home rentals platform	136,135	123,911	110,050
Danish landlords on the platform	26,963	25,359	21,393

Revenue in 2023



Change in revenue in 2023

+14%

EBIT margin in 2023

33%

Growth in BoligPortal's revenue and earnings derived mainly from increased advertising of a record-high number of rental units in Denmark. The sale of service offerings to tenants (Partnerships) also grew slightly, with eight new partnership agreements concluded during the year. One offering was a free-choice solution for tenants throughout Denmark regarding electricity supply. As for Data Insights, a number of agreements were made for the light module of the solution, while fewer agreements were made for larger modules. Management services for landlords (Boligmanager) made slower progress than expected. In order to accelerate product development and integration of Boligmanager, BoligPortal acquired the remaining 49% of the company in the second quarter of 2023, four years earlier than planned.

The number of signed leases and move-in/out inspection reports on Boligportal's administration solution reached a new high once again in 2023. The company further ramped up its efforts to optimise and automate the customer journey in processes, on the platform and in collecting data to ensure a scalable foundation for continued profitable growth.

In Sweden, a local presence was established in the first quarter of 2023 in the form of a commercial organisation to heighten the understanding of the market and to support the positioning as a professional partner in the rental housing market. Revenue performance did not match expectations, partly because the process of increasing the number of own rental units on the portal and setting up collaborative agreements took longer than expected. Targeted initiatives were launched to create the foundation for generating growth.

The business

The Danish market

- **Partnerships**
  Tenants can use the portal to contract with a number of service providers, for example with power companies, internet and television providers, insurance companies, finance providers or energy certificate providers. In 2023, the range of power suppliers was expanded so that the service is now nationwide. Also, free-choice solutions are being developed for several of the other services.

Guidance to 2023 (DKKm)	Revenue	EBIT
8 February 2023	102-108	25-30
3 May 2023	102-108	25-30
16 August 2023	105-108	30-34
1 November 2023	106-108	33-34
Actual results	107,0	35,4

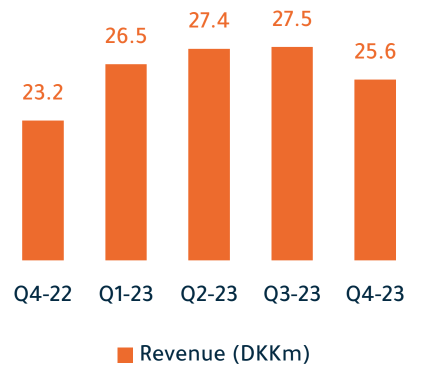
Data Insights – all data on the Danish rental housing market on one platform

BoligPortal entered into a number of agreements with large and small customers in 2023 concerning the use of the rental housing data collected by BoligPortal based on the activity taking place on the platform's marketplace.

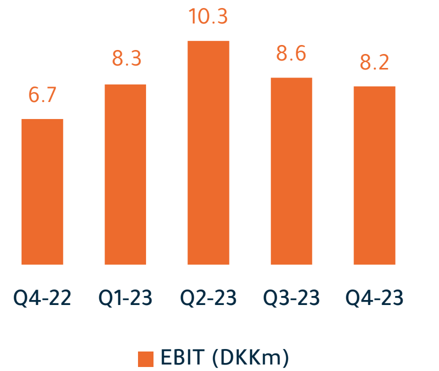
Data Insights makes data available to property developers and investors or other market participants who value rental properties and who all use data to improve their understanding of the rental housing market, optimise pro-cesses and upgrade the documentation of their own services.

The data set is deemed to be the most comprehensive and precise of its kind in Denmark and is available in different modules tailored to customers' varying demands

Quarterly revenue



Quarterly earnings



- **Data Insights**
  BoligPortal collects data on supply and demand based on user activity on the boligportal.dk website. These data forms the basis for a unique knowledge sold to landlords, property developers and financial institutions.

- **Boligmanager**
  The service offers a number of digital tools for housing administration services, including contracts, billings and payments, utility accounts and bookkeeping at ten-ant/property level.

The Swedish market

The rental housing markets in Denmark and Sweden are subject to different rules and regulations, albeit with several similarities, which render it possible to implement or adapt the solutions tested in the Danish market in Sweden.

Strategic priorities

BoligPortal will in 2024 continue to execute on its transformation and growth strategy. The company will focus on continuing the journey from marketplace to home rentals platform where all activities are fully integrated and make up a complete universe for tenants and landlords, offering an option to select the services that match the demand of the individual customer. To this end, the company will continue its efforts to optimise and automate processes and the customer journey in all of BoligPortal's income streams. Another focus area is the continued development of BostadsPortal.se with a view to adding more of its own rental units to the portal and developing more income streams like in Denmark, for example by entering into new partnerships.

Guidance for 2024

Guidance for 2024 (DKKm)	
Revenue	111-120
EBITDA	36-40
EBIT	32-36

BoligPortal expects slow revenue growth, driven by the core business, with advertising income expected to be below the record high market level in 2023. Based on the strategic focus on creating a complete universe for tenants and landlords, which requires continued investments in optimisation and automation, the company expects EBIT in line with the 2023 figure.

The financial guidance for 2024 is based on the following assumptions:

- Stable inflow of new tenants
- Progress in partnerships
- Increased customer inflow in Boligmanager
- Retaining customers of Data Insights and attracting new ones
- Growth in BostadsPortal.se

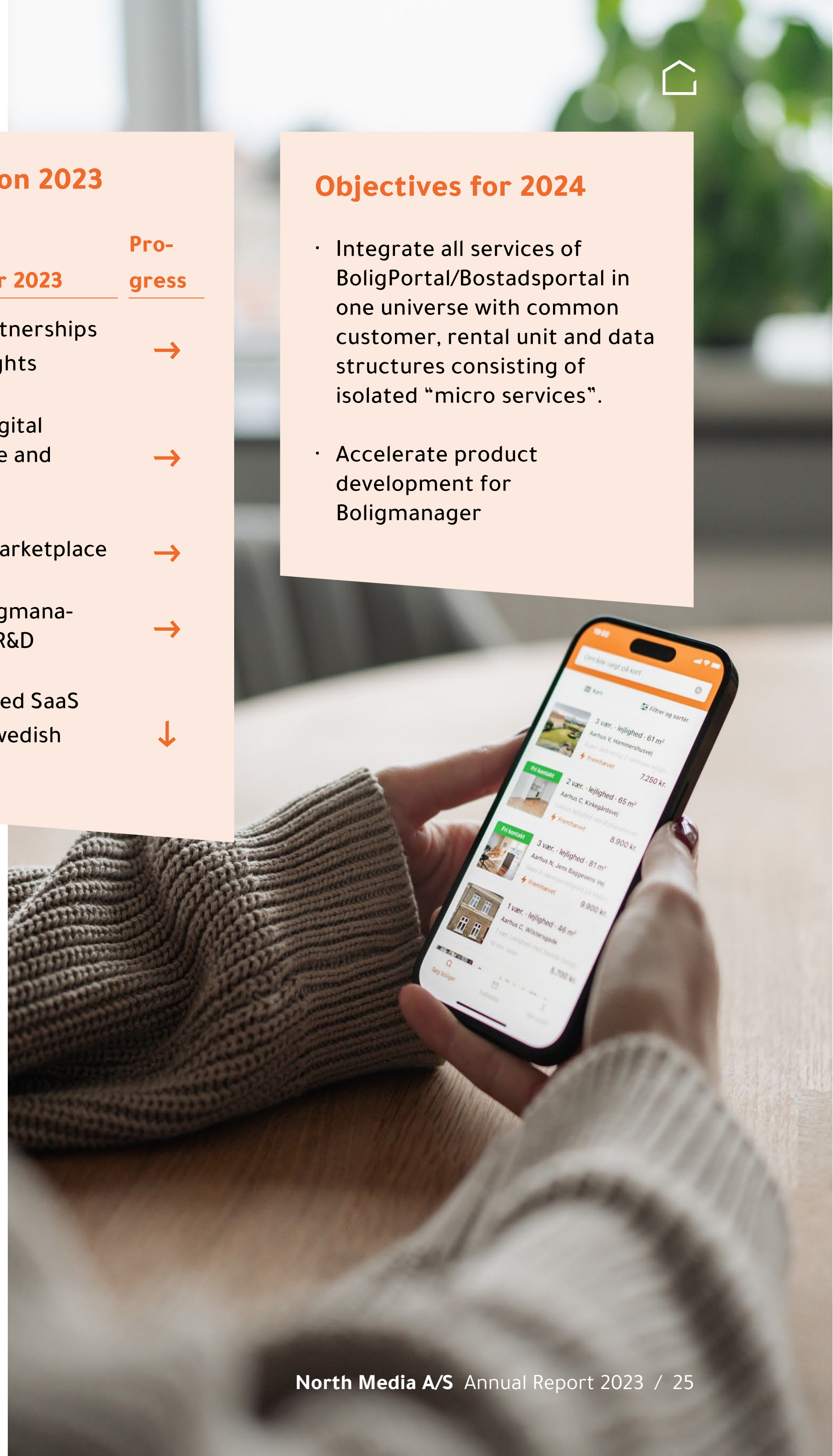
The principal risks are expected to be if the home rentals market freezes in Denmark due to macroeconomic trends, which may have a negative impact on demand from tenants and Data Insights customers, as well as significant changes in competition in Denmark and Sweden.

Follow-up on 2023

Objectives for 2023	Progress
Growth in partnerships and Data Insights	→
Strengthen digital infra-structure and automation	→
Strengthen marketplace	→
Integrate Boligmanager/optimise R&D	→
Launch targeted SaaS solutions in Swedish market	↓

Objectives for 2024

- Integrate all services of BoligPortal/Bostadsportal in one universe with common customer, rental unit and data structures consisting of isolated "micro services".
- Accelerate product development for Boligmanager



BoligPortal's business model

ofir.dk


ofir.dk
Ofir hjælper 75 af landets kommuner og 4 regioner med deres rekrutteringer

About Ofir

Ofir is Denmark's second-largest private jobs portal and features the country's most comprehensive jobs universe. Ofir publishes job ads at Ofir.dk and on other job portals, including Google JobAds and social media. Ofir's own database contains over 400,000 candidates. Ofir also provides data-based advice to employers on how to gain optimal exposure to relevant target groups and offers various tools for job seekers.

Ofir in 2023:

- Private and public-sector employers used Ofir to post more than **293.000+** job vacancies
- **850.000+** monthly visitors to ofir.dk
- **400.000+** candidates in Ofir's own database
- Estimated markets share of **12%** (number of job ads sold)

Advice:

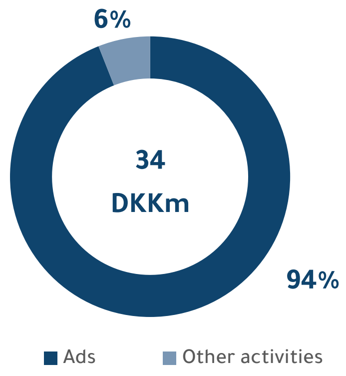
- On social media for candidates about CVs, on looking for a job and preparing for interviews
- For employers on advertising directed at active as well as passive job seekers
- Industry research, employer branding and recruitment strategies

Performance in 2023

The general economic climate affected the entire Danish market for job ads in 2023 and resulted in fewer new ads. Ofir's revenue was DKK 34 million, a decrease of 15%, and EBIT fell correspondingly to a loss of DKK 5 million. The EBIT margin was minus 15%. Adjustment of the business strategy to these new market conditions was commenced.

Highlights (DKKm)	2023	2022	2021
Revenue	34.0	40.0	36.0
EBITDA	-5.0	2.7	5.7
EBIT	-5.1	2.6	5.6
EBITDA margin	-14.7%	6.8%	15.8%
EBIT margin	-15.0%	6.5%	15.6%
Average number of employees	29	29	22
Number of paid job postings	39,400	46,000	42,000
Number of active customers	914	1,130	1,202

Revenue in 2023



Change in revenue in 2023

-15%

EBIT margin in 2023

-15%

Even though employment in Denmark continued to rise, the job ads market declined measured over the full year and showed a flat trend in the fourth quarter of 2023. In the second quarter, the number of new job ads per month was the lowest since 2019, apart from the period of the Covid-19 pandemic.

The downturn was most visible in the private sector, with reduced activity in the building and construction industry, for example. Parts of the public sector also experienced the downward trend. The sustained focus on costs among Danish businesses was also reflected by their choice of fewer and small-er advertising packages than previously. Ofir posted more than 39,400 job ads in 2023, against more than 46,000 the year before, which was the highest number ever.

The business

Ofir's basic strategy is to reach relevant candidates no matter where they are, meaning, for example, on job portals and social media, in podcasts and candidate databases. Ofir has its own database covering more than 400,000 candidates. Ofir's core competence is the ability to identify more qualified candidates for recruiting companies. This is accomplished through its access to both active and passive job seekers.

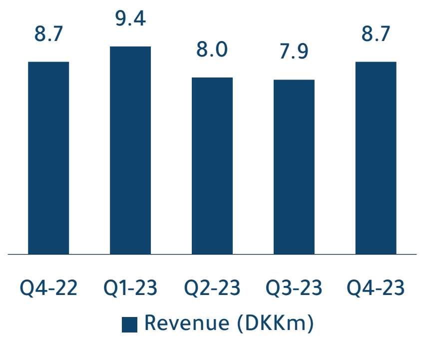
The group of passive job seekers is large and an attractive segment for employers. Ofir mainly reaches this group through job campaigns on social media - a market where Ofir is strongly positioned. Ofir also collaborates with other job portals, including Google JobAds, to enhance the online exposure of the job ads.

In 2023, Ofir launched a new and search-optimised website as well as several AI-based tools for both recruiting companies and job seekers aimed at facilitating the job posting and job application processes.

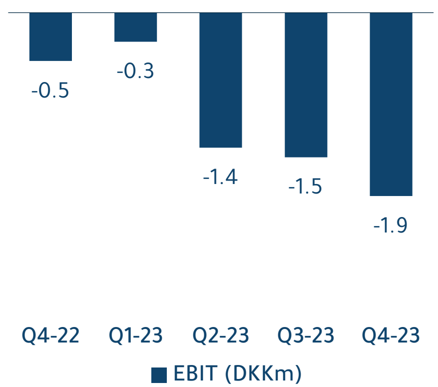
Based on current economic trends, Ofir expects demand for filling vacant positions to remain significant in large parts of the labour market. However, to secure future growth and earnings, it is essential that Ofir develops the business into becoming less cyclical and more scalable. Lucas Carstensen Castenborg was appointed new CEO in October 2023 and charged with implementing this strategic assignment.

Guidance for 2023 (DKKm)	**Revenue**	**EBIT**
8 February 2023	36-40	-4 to -1
3 May 2023	36-40	-4 to -1
16 August 2023	32-36	-9 to -5
1 November 2023	33-35	-7 to -5
Actual results	34.0	-5,1

Quarterly revenue



Quarterly earnings



Strategic priorities

Ofir will continue to develop a powerful and relevant value proposition to both employers and candidates, while staying focused on impact and high data quality.

Ofir will retain full customer and market focus in 2024. At the same time, Management will reassess the company's strategic foundation to ensure a future commercial basis that is both less cyclical and more scalable in relation to current market conditions.

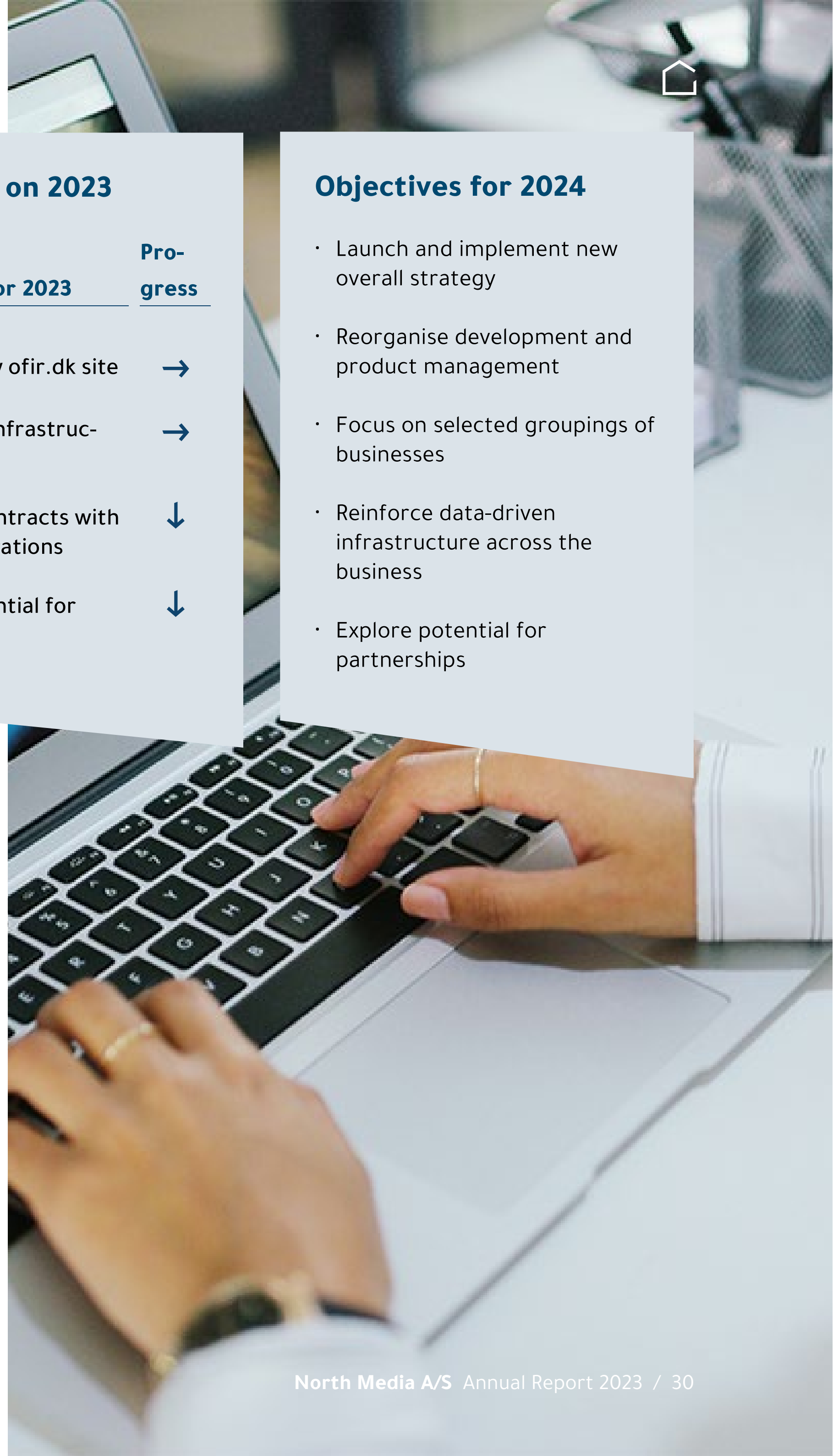
Guidance for 2024

Guidance to 2024 (DKKm)	
Revenue	32-35
EBITDA	-12 to -9
EBIT	-12 to -9

In 2024, Ofir expects a flat trend in revenue and EBIT based on the following assumptions:

- A stabilised to slightly shrinking market for job ads
- Increased costs related to reassessing the strategic foundation

The principal risks in 2024 are considered to be a sharper-than-expected downturn in the job market and significant changes in competition.



Follow-up on 2023

Objectives for 2023	Progress
Launch a new ofir.dk site	→
Strengthen infrastructure	→
Win more contracts with major corporations	↓
Explore potential for partnerships	↓

Objectives for 2024

- Launch and implement new overall strategy
- Reorganise development and product management
- Focus on selected groupings of businesses
- Reinforce data-driven infrastructure across the business
- Explore potential for partnerships

bekey

About Bekey

Bekey provides and maintains digital access systems installed in secured stairwells and private homes in Denmark and Norway. Access control is provided by a cloud-based system, which assigns encrypted digital keys to approved users, enabling them to open doors using an app on their mobile phones.

Bekey's access systems consist of:

- **Netkey**: Cloud-based access management system for assigning digital keys to users
- **Bekey Mobil App**: The users' access to opening digital locks
- **SmartRelay**: A chip in the entry phones of secured stairwells
- **SmartLock**: A unit installed next to a secured door in private homes
- **SmartKeybox**: A key box that is opened using a mobile phone

Bekey in 2023:

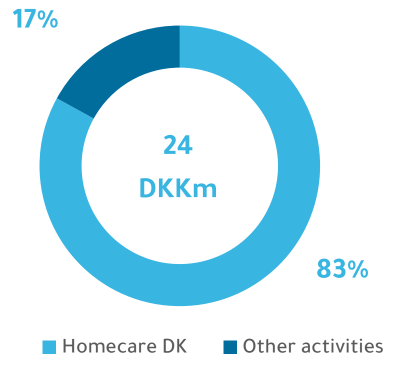
- **75.000+** installed digital lock units in Denmark and Norway
- **16,9+** million automated door entries in Danmark and Norway, of which approx. 33% were access to secured stairwells and approx. 67% were access to private homes
- Homecare DK is the largest customer segment (**82%** of revenue)

Performance in 2023

Bekey delivered another unsatisfactory performance in 2023. Revenue was down by 6% to DKK 24 million, and EBIT was a loss of DKK 19.9 million. In 2023, Management focused on changing the market approach in order to build a more stable foundation for the future and develop a new business strategy.

Highlights (DKKm)	2023	2022	2021
Revenue	23.5	24.9	24.0
EBITDA	-19.5	-3.8	-8.3
EBIT	-19.9	-14.2	-29.3
EBITDA margin	-83.0%	-55.4%	-34.6%
EBIT margin	-84.7%	-57.0%	-122.1%
Average number of employees	30	29	32
Number of door entries (millions)	16.9	15.6	14.4
Recurring license and service revenue as a percentage of revenue	73%	65%	63%

Revenue in 2023



Change in revenue in 2023

-6%

EBIT 2023

-85%

Revenue in the Homecare DK and Homecare International segments was generally in line with the previous year. As part of its efforts to streamline business procedures and processes, Bekey offered standard terms and prices in its negotiations with municipal authorities in 2023. New contracts were concluded, and a few contracts were discontinued as the customers did not want to enter into the standard contract. For the same reason, Bekey expects a few customers to decline to renew or extend their contracts in the coming years.

Revenue in the Properties and Distributors segments was flat. Activity levels in both segments were unsatisfactorily low.

License and service income made up approx. 73% of Bekey's total revenue, against 65% in 2022.

In 2023, Bekey established a new in-house IT development department in Denmark to improve the infrastructure for building the foundation for the future and for accelerating new product development. This initiative as well as new hires had a negative impact on EBIT.

The business

Bekey is one of the largest providers of digital access solutions in its markets of operation and the only provider ensuring access to secured multi-storey buildings on a large scale in Denmark.

In addition to the digital key solutions, Bekey's product portfolio comprises a proprietary access management system, NetKey, and an app. NetKey is used by customer-approved administrators to assign and revoke digital keys to/from the users who need access to secured premises - and when. The users use the Bekey Mobil App to open the secured door via Bluetooth. All activity is logged, providing a full historical record of who has had access, where, when and for how long.

Bekey's business operated in three segments in 2023: Homecare, Distributors and Properties. The company reassessed its segmentation and market approach during 2023, and the new structure is outlined in the section on strategic priorities.

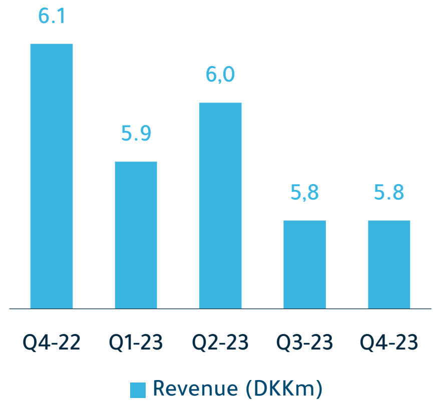
Homecare. As a growing number of elderly people live longer and stay longer in their own homes, municipal homecare services are experiencing growing requirements for digital access to private homes. Bekey's contracts with Danish municipal authorities typically run for four-year terms with a two-year extension option.

In Norway as well, more and more municipal authorities demand that the framework agreements they sign with private sector providers of IT infrastructure include access to elderly citizens' homes. Several of these providers also sell Bekey's solutions.

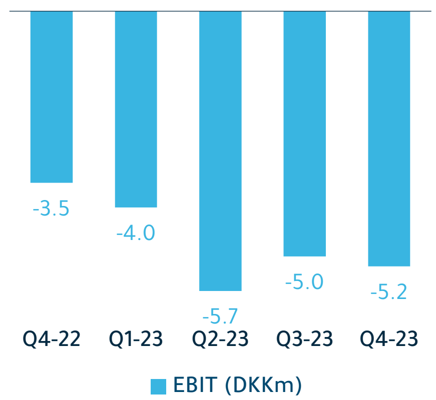
Distributors. Distributors deliver groceries, meal services, parcels, newspapers etc. directly to end users in multi-storey buildings and private homes. The amount of deliveries is on the rise. By using Bekey's access solution, distributors have the flexibility to deliver to end users 24/7, optimising delivery routes and the time available.

Properties. Bekey's solutions allow property owners and property administrators to give digital access to secured property for residents, caretakers, repair services, etc. Customers pay a fixed monthly licence fee per stairwell and a one-off price for hardware.

Quarterly revenue



Quarterly earnings



Guidance for 2023 (DKKm)	Revenue	EBIT
8 February 2023	22-27	-21 to -19
3 May 2023	22-27	-21 to -19
16 August 2023	23-26	-21 to -19
1 November 2023	23-25	-21 to -19
Actual results	23.5	-19.9

Strategic priorities

In November 2022, Bekey appointed Christian Hesselaa as its new CEO. In 2023, he and the rest of the management team were focused on rethinking Bekey's business and market approach and on developing a strategy for creating a markedly stronger foundation for a scalable and high-volume-based business.

The turnaround process is in progress and involves, among other elements, the building of a stable and future-proof IT infrastructure. This includes the new website that was launched in 2023 and acts as the hub of the digital and automated journey experienced by customers when interacting with Bekey. It also includes setting up standardised procedures for all customer-facing processes and automation of getting stairwell access approvals.

The business areas and market approach have also been reassessed.

Historically, Bekey has primarily catered to the homecare segment. However, data, trends and statistics indicate a potential also for addressing private residents who want to give access, for example for the delivery of meal services, parcels, letters, etc.

Bekey puts the stairwell door and access approval at the centre of its business, focusing on professional customers, but the company is also in the process of developing a new business area for residents.

Professional customers are the network of distributors, homecare workers and others creating relevance for the individual residents in buildings with locked stairwells.

A strong infrastructure and establishing the new business area are the cornerstones of the business strategy for 2024, which will guide Bekey through a turnaround process and create an automated, scalable, high-volume business.

Guidance for 2024

Guidance for 2024 (DKKm)	
Revenue	22-25
EBITDA	-24 to -21
EBIT	-24 to -21

Bekey expects revenue and EBIT in line with 2023. As the concept of the new business area for residents will only be developed in the course of 2024, this is not included in the guidance.

The financial guidance for 2024 is based on the following assumptions:

- Stable number of contract extensions and new municipal agreement wins in Denmark based on standard terms and prices
- Stable income flows from service and licence agreements

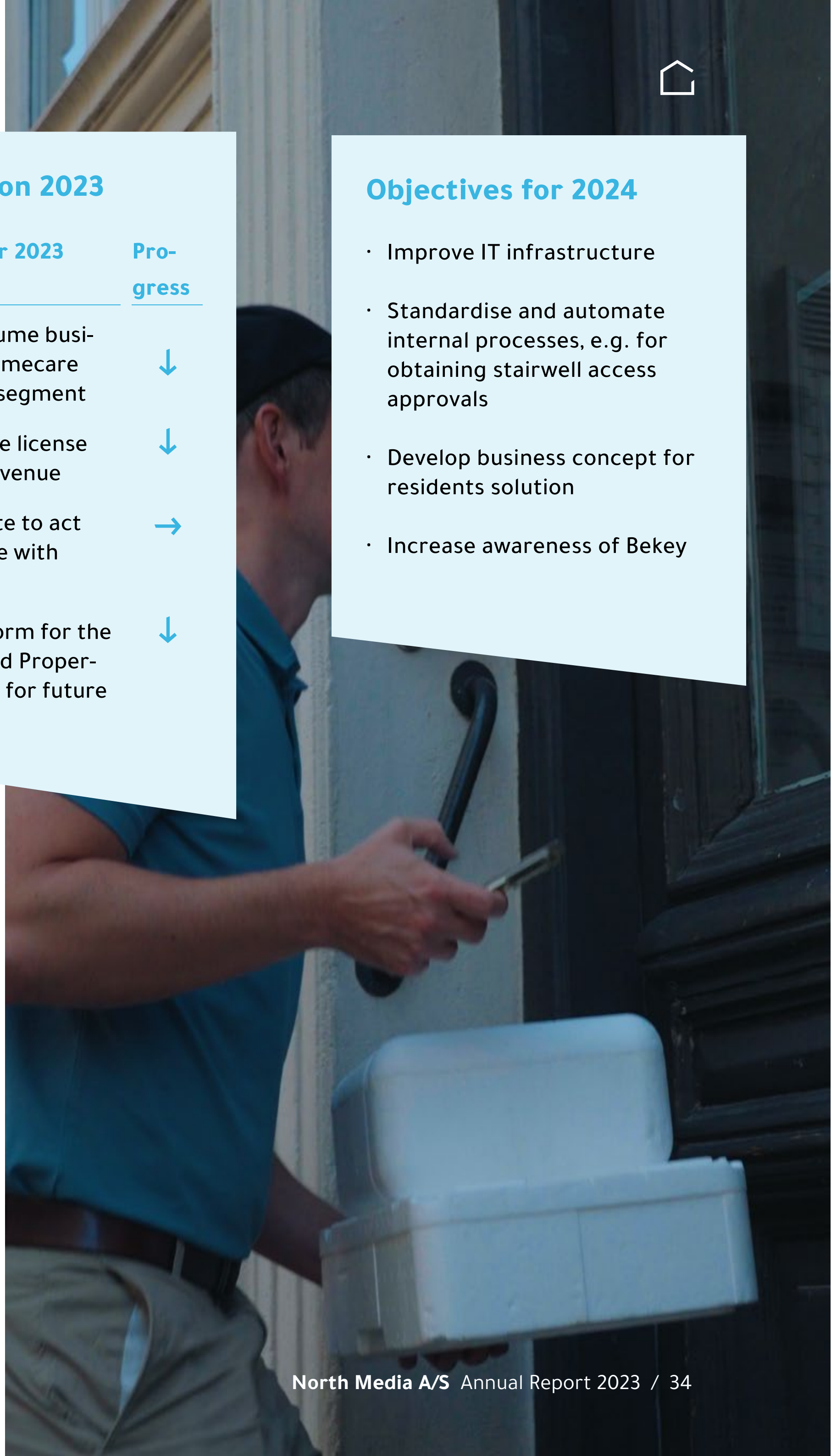
The main risk in 2024 is deemed to be insufficient progress in the development of the concept for the residents business area, including the development of a relevant IT solution.

Follow-up on 2023

Objectives for 2023	Progress
Build high-volume business in the Homecare International segment	↓
Increase stable license and service revenue	↓
Expand website to act as an interface with customers	→
Prepare platform for the Distributor and Properties segments for future growth	↓

Objectives for 2024

- Improve IT infrastructure
- Standardise and automate internal processes, e.g. for obtaining stairwell access approvals
- Develop business concept for residents solution
- Increase awareness of Bekey



Group quarterly financial highlights - revenue

	Revenue									
	Year		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
DKKm	2023	2022				2023				2022
Revenue										
Last Mile										
Packing and distribution	755.4	806.4	203.1	175.3	189.0	188.0	215.7	183.4	209.4	197.9
Online	29.2	30.1	5.2	5.8	8.0	10.2	5.4	5.6	9.3	9.8
Last Mile, total	784.6	836.5	208.3	181.1	197.0	198.2	221.1	189.0	218.7	207.7
Index cp. same period last year	*93.8*	*94.1*	*94.2*	*95.8*	*90.1*	*95.4*	*89.2*	*90.2*	*98.3*	*99.5*
Digital Services										
BoligPortal	107.0	93.9	25.6	27.5	27.4	26.5	23.2	24.3	23.7	22.7
Index cp. same period last year	*114.0*	*110.7*	*110.3*	*113.2*	*115.6*	*116.7*	*111.5*	*111.0*	*109.2*	*111.3*
Ofir	34.0	40.0	8.7	7.9	8.0	9.4	8.7	9.2	10.9	11.2
Index cp. same period last year	*85.0*	*111.1*	*100.0*	*85.9*	*73.4*	*83.9*	*83.7*	*103.4*	*119.8*	*147.4*
Bekey	23.5	24.9	5.8	5.8	6.0	5.9	6.1	5.5	6.7	6.6
Index cp. same period last year	*94.4*	*103.8*	*95.1*	*105.5*	*89.6*	*89.4*	*93.8*	*91.7*	*119.6*	*111.9*
Digital Services, total	164.5	158.8	40.1	41.2	41.4	41.8	38.0	39.0	41.3	40.5
Index cp. same period last year	*103.6*	*109.7*	*105.5*	*105.6*	*100.2*	*103.2*	*100.8*	*106.0*	*113.5*	*119.5*
Group revenue, total	949.1	995.3	248.4	222.3	238.4	240.0	259.1	228.0	260.0	248.2
Index cp. same period last year	*95.4*	*96.3*	*95.9*	*97.5*	*91.7*	*96.7*	*90.7*	*92.5*	*100.4*	*102.3*

Group quarterly financial highlights - EBIT

	Operating profit (EBIT)									
	Year		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
DKKm	**2023**	**2022**				**2023**				**2022**
EBIT										
Last Mile										
FK Distribution	153.6	184.7	46.9	28.2	37.3	41.2	58.0	29.6	49.6	47.5
EBIT margin	*19.6%*	*22.1%*	*22.5%*	*15.6%*	*18.9%*	*20.8%*	*26.2%*	*15.7%*	*22.7%*	*22.9%*
Digital Services										
BoligPortal	35.4	24.2	8.2	8.6	10.3	8.3	6.7	6.1	6.2	5.2
EBIT margin	*33.1%*	*25.8%*	*32.0%*	*31.3%*	*37.6%*	*31.3%*	*28.9%*	*25.1%*	*26.2%*	*22.9%*
Ofir	-5.1	2.6	-1.9	-1.5	-1.4	-0.3	-0.5	0.2	1.4	1.5
EBIT margin	*-15.0%*	*6.5%*	*-21.8%*	*-19.0%*	*-17.5%*	*-3.2%*	*-5.7%*	*2.2%*	*12.8%*	*13.4%*
Bekey	-19.9	-14.2	-5.2	-5.0	-5.7	-4.0	-3.5	-3.2	-3.4	-4.1
EBIT margin	*-84.7%*	*-57.0%*	*-89.7%*	*-86.2%*	*-95.0%*	*-67.8%*	*-57.4%*	*-58.2%*	*-50.7%*	*-62.1%*
Digital Services, total	10.4	12.6	1.1	2.1	3.2	4.0	2.7	3.1	4.2	2.6
EBIT margin	*6.3%*	*7.9%*	*2.7%*	*5.1%*	*7.7%*	*9.6%*	*7.1%*	*7.9%*	*10.2%*	*6.4%*
Unallocated income/cost	-14.1	-5.8	-8.8	-0.5	-3.4	-1.4	1.6	-3.6	-1.9	-1.9
Operating profit (EBIT)	149.9	191.5	39.2	29.8	37.1	43.8	62.3	29.1	51.9	48.2
EBIT margin	*15.8%*	*19.2%*	*15.8%*	*13.4%*	*15.6%*	*18.3%*	*24.0%*	*12.8%*	*20.0%*	*19.4%*

Results in associates – Karman Connect

Company profile

Karman Connect is a fintech business connecting and providing best matches between borrowers and lenders. In the Danish and Swedish markets, Karman Connect offers one of the strongest loan aggregator tools available. Karman Connect is present in eight countries.

Karman Connect's online comparison services help consumers find the right loan in an easy, transparent and secure process.

Karman Connect's digital products provide banks and other providers of regulated loans with customers in large volumes and high quality, along with market insights and advice on generating digital leads.

North Media holds a 50% ownership interest in the company. The other 50% of the shares are held by the company's founders, Andreas Linde and Stefan Vinding Olesen.

Financial results driven by financial restraint

Karman Connect reported a drop in revenue, as expected. Despite a steep increase in the number of users, the business was impacted by consumers' reduced disposable incomes and the resulting lower conversion rate in matching borrowers and lenders. In addition, due to the general economic developments, the banks had reduced their risk tolerance in terms of new lending. As a result, revenue was down by 25% to DKK 58.5m, and earnings fell by 66% to an EBIT of DKK 6.6m. The contribution margin was 37.5%.

At the end of 2023, Karman Connect began to align its organisation to the current market conditions in a move to lower cost levels. North Media recognises a DKK 2.6 million profit from Karman Connect under share of profit/loss in associates, which is shown after tax.

Strategic focus

Karman Connect applies a data-driven business model, and the company's strategy remains:

- To strengthen the position in established markets by attracting more lenders to the platform, delivering the market's best data and market insights and by strengthening the value proposition to borrowers and lenders.
- To win new high-volume markets through partnerships and a well-proven multiple channel strategy.
- To create a continuous flow of launches in selected new markets.
- To continue expanding infrastructure with a view to facilitating ongoing upscaling.

Highlights (DKKm)	2023	2022	2021
Revenue	58.5	78.3	63.2
EBITDA	6.6	19.3	10.8
EBIT	6.6	19.3	10.8
EBT	6.6	19.1	10.7
Profit	5.1	14.8	8.4
EBITDA margin	11.3%	24.7%	17.1%
EBIT margin	11.3%	24.7%	17.1%
Average number of employees	14	16	13

Guidance for 2024

The general economic developments seen in 2023 are expected to carry over into the first half of 2024 and potentially beyond, implying increased uncertainty regarding Karman Connect's short-term financial results. Karman Connect expects full-year 2024 lower revenue and earnings.

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Results and selected balance sheet items

Performance in 2023

North Media's results were in line with expectations at the beginning of the year

Revenue

Consolidated revenue was down as expected by 5 % to DKK 949 (2022: DKK 995m) and the revenue was in accordance with the latest guidance in November.

Revenue was down by 6% in Last Mile (FK Distribution), with the greatest decline in H1 2023.

Digital Services revenue was up by 4%, driven by 14% growth in BoligPortal, which revenue reached DKK 100 million for the first time. Ofir's revenue decreased by 15% and Bekey's revenue decreased by 6%.

Operating profit

EBITDA fell to DKK 177m from DKK 219m in 2022, and the EBITDA margin dropped to 18.6% (2022: 22.0%).

Amortisation, depreciation and impairment losses totalled DKK 27m in 2023, compared with DKK 28m in 2022.

EBIT fell to DKK 150m from DKK 192m in 2022, and the EBIT margin dropped to 15.8% from 19.2% in 2022. EBIT was in accordance with previously guided ranges.

In Last Mile, the EBIT margin was down by 2.5 percentage points to 19.6%, which was slightly better than expected at the beginning of the year. As expected, FK Distribution's earnings decreased owing to reduced volumes.

Digital Services EBIT margin fell by 1.6 percentage points to 6.3%.

BoligPortal improved the profitability and its EBIT margin increased to 33.1% (2022: 25.8%). BoligPortal acquired the remaining 49% of Boligmanager, and the company was subsequently merged with BoligPortal.

Ofir's EBIT declined by DKK 7.7m, resulting in an EBIT loss of DKK 5.1m. Revenue reduced by DKK 6.0m, while investments in business development and technology were maintained

Bekey's EBIT margin was negative at 84.7%, against a negative EBIT margin of -57.0% in 2022.

Unallocated income and expenses stood at DKK -14m in 2023 against DKK -6m in 2022. Results were impacted by expenses related to the acquisition of SDR, which were recognised in 2023.

Share of profit/loss in associates

The 50%-owned business Karman Connect (formerly Lead Supply) is recognised at a positive DKK 2.6m (2022: DKK 7,4m), which is half of the company's profit after tax. Karman Connect's revenue was down compared to 2022 when the company delivered its best-ever performance - see also the separate section on the preceding page.

Return on securities

The securities portfolio yielded a net return (realised as well as unrealised) of DKK 189m, (2022: DKK -194m), thus recovering the negative return recorded in the previous year.

The return on the portfolio was 31.4% (2022: -25.7%). By comparison, the MSCI World index produced a return of 21.8% in 2023, compared with -19.5% in 2022.

Net profit for the year

Profit for the year net of securities return was DKK 117m against DKK 154m in 2022, and is a direct consequence of lower EBIT.

Earnings per share (exclusive of the return on securities) were DKK 6.3, against DKK 8.3 in 2022.

Guidance for 2023 (DKKm)	Revenue	EBIT
8 February 2023 (Annual report)	920-975	125-160
16 August 2023 (Interim report Q2)	935-970	135-160
1 November 2023 (Interim report Q3)	940-960	145-160
Actual results	949	150

The net profit for the year was DKK 264m (2022: DKK 2m), affected by the lower EBIT and, conversely, a higher return on securities.

The net profit yielded a return on equity of 24.6% (2022: 0.2%). Earnings per share (diluted) was DKK 14.3 (2022: DKK 0.1).

Cash flows

Cash flows from operating activities amounted to DKK 126m (2022: DKK 191m), affected by tax payments of DKK 45m, against a tax refund of DKK 1m in 2022.

The free cash flow amounted to DKK 157m in 2023, compared with DKK 171m in 2022.

Selected balance sheet items Equity

Shareholders' equity amounted to DKK 1,157m at 31 December 2023, compared with DKK 995m at 31 December 2022. In particular, the change was attributable to the net profit for the year less dividends paid of DKK 74m, the sale of treasury shares for DKK 7m under the company's share option programme and the purchase of treasury shares totalling DKK 36m

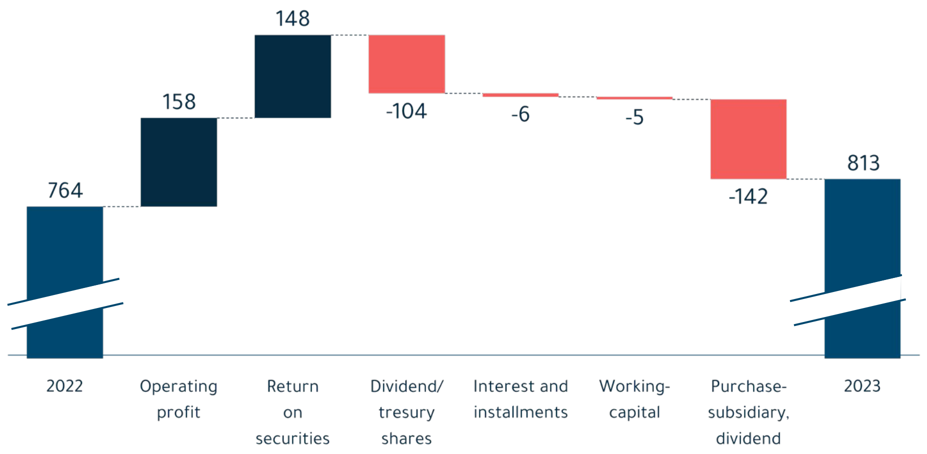
The equity ratio was 81.7% at 31 December 2023, a decrease of 0.5 percentage points relative to 31 December 2022.

Properties

At 31 December 2023, the properties were recognised at a carrying amount of DKK 242m (DKK 250m at 31 December 2022).
The decrease was due to depreciation. No further payments were made with respect to solar panel plants and associated batteries on the properties. Such payments are expected to be made in 2024. The properties have been mortgaged against long-term, fixed-rate loans for a total of DKK 109m (2022: DKK 113m). North Media will only raise debt in the form of long-term mortgage loans secured against the domicile properties in Søborg, Taastrup and Tilst.

The Group's businesses pay rent on market terms for the use of the properties. Operating profit on the properties is recognised in the item "unallocated income and expenses". This item also includes group costs not charged to operating companies, such as costs of IR activities and parts of shared group functions, including parts of board members' fees and costs for the acquisition of SDR.

Capital resources 2022-2023 (DKKm)



Properties and outstanding mortgaging (DKKm)	**Carrying amount**	**Out-standing mortgage**
Gladsaxe Møllevej, Gladsaxe	88.6	56.7
Bredebjergvej, Taastrup	82.2	28.9
Blomstervej, Tilst	52.6	23.0
Klostermosevej, Helsingør	16.4	0.0
Energivej, Esbjerg	2.3	0.0
Total	242.1	108.6

Securities portfolio

At 31 December 2022, the securities portfolio consisted of 16 highly liquid listed shares and share-based investment associations with a combined market value of DKK 652m (2022: DKK 578m).

North Media made some portfolio adjustments in 2023, and towards the end of the year, securities were sold in connection with the acquisition of SDR. The number of securities positions was reduced from 16 to 10.

North Media made net securities sales of DKK 108m in the financial year.

Since 2015/2016, the value of the securities portfolio has appreciated from DKK 196m to DKK 652m. DKK 408m of the increase was attributable to the share price increases, while DKK 48m was due to net share purchases. Accordingly, most of the gain on the securities portfolio for the period was due to appreciating prices, and the capital losses of the previous year were recovered in 2023.

The portfolio carries a risk calculated at 13.8% (2022: 23.2%). 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 74m (2022: DKK 113m).

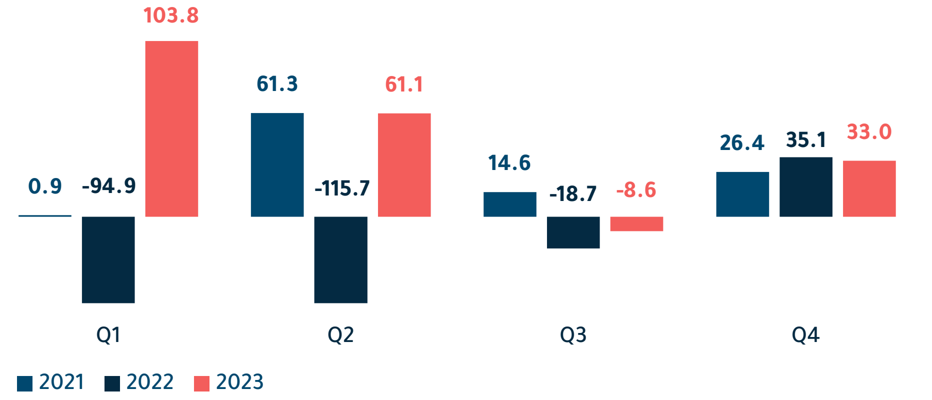
At 31 January 2024, the value of the portfolio was DKK 698.6m, including the return on the portfolio in January of DKK 46.2m, or 7.1%.

Money deposit in securities

- Liquid listed shares and investment associations
- Industries offering growth potential, also on 5Y-10Y horizon
- Focused portfolio of from ten to twenty five stocks
- Value-protecting money deposit

Securities portfolio market value (DKKm)	31.01.2024	31.12.2023	31.12.2022
Novo Nordisk	232.4	209.4	140.7
NVIDIA Corp	127.0	100.2	30.6
Microsoft	95.7	88.8	41.8
Genmab	76.8	86.2	73.8
Apple	63.4	64.9	45.3
Teradyne	39.9	43.9	36.5
MercadoLibre	35.3	31.8	17.7
Fundamental Invest ABC	11.7	11.0	10.8
Sea	7.9	8.2	10.9
Fundamental Invest ABD	8.5	8.0	8.9
DSV		-	54.8
Ørsted		-	31.6
MasterCard		-	24.2
Amazon		-	23.4
Infinion Techology		-	16.9
EQT AB		-	9.6
Total	698.6	652.4	577.5

Quaterly return on securities, DKKm



Risk and risk management

Risk refers to the possibility of an event that, if it materialises, would adversely affect the achievement of a given objective. Objectives are a reflection of what the North Media Group strives to achieve in pursuing its strategy, whereas risks present a potential threat to the Group achieving its defined objectives.

Risk management provides an opportunity to assess risks and implement measures to reduce the impact of risks to an acceptable level.

Risk management is the process of identifying, assessing, reacting to, monitoring and reporting on risks.

Like other areas, risks affecting the Group are managed according to the principles of the fundamental management structure, which are outlined in the section on corporate governance. Risks are managed and followed up on via internal policies, concepts and procedures.

Risk policy

Our risk management policy is to proactively consider risks in order to ensure the sustained growth of our business and to protect our employees, our assets and our reputation. Accordingly, we:

- Apply an effective and integrated risk management process while maintaining corporate flexibility
- Identify and assess material risks associated with our business
- Monitor, manage and minimise risks

Our risk tolerance varies with the specific category of risk

- We accept the risks associated with launching new technological solutions on the market that meet the needs of our customers
- We are actively engaged in minimising risks to people, climate and the environment in undertaking our business activities
- We take a conservative approach to financial risk management
- We strive to mitigate supply chain risks through proactive business planning and back-up options to suppliers and IT systems, etc.

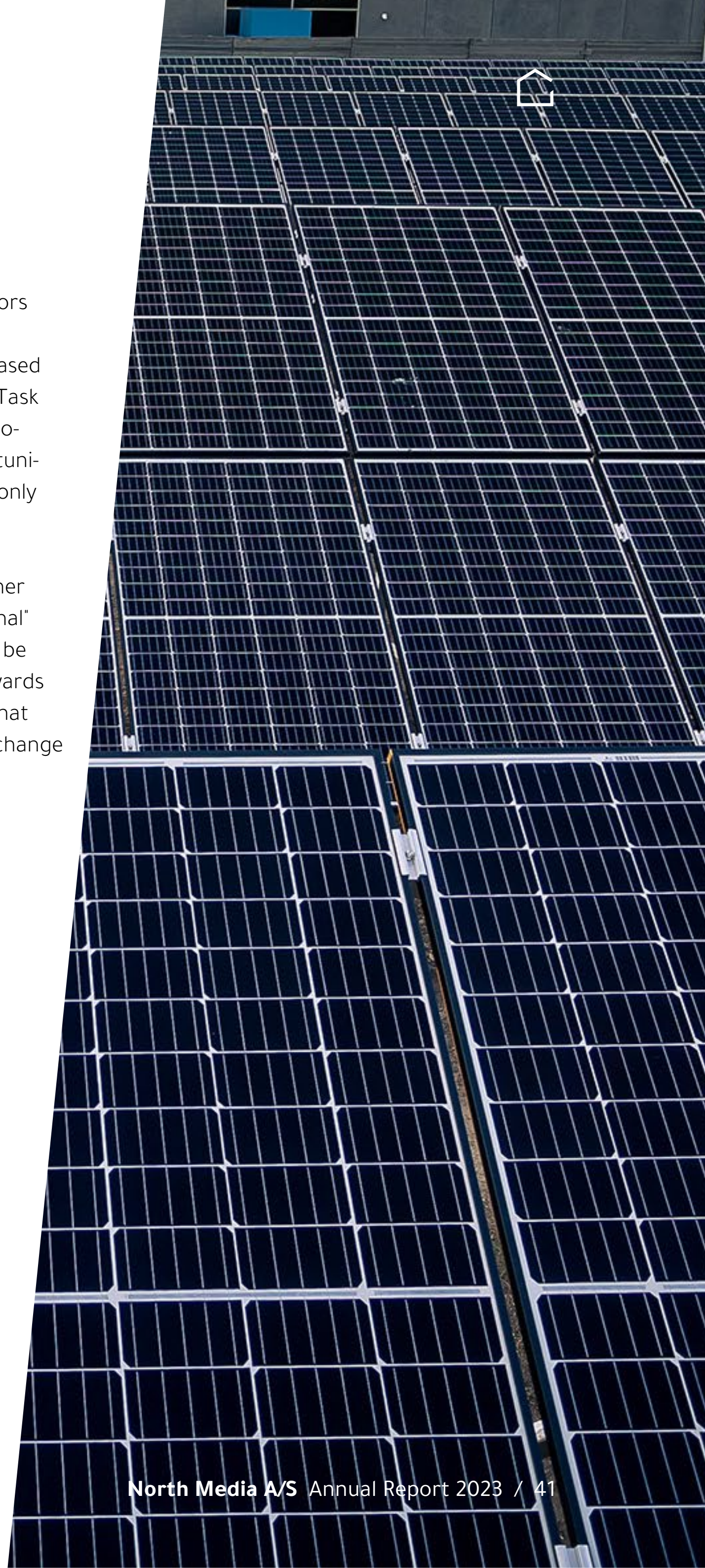
Risks at North Media

- ESG-related risks
- Strategic (potentially affected by political risks, mega trends and market risks)
- Operational

North Media's most significant risks and the measures taken to minimise such risks are set out in the table below:

Pursuant to section 107b of the Danish Financial Statements Act, North Media A/S has implemented general principles, policies, procedures and internal controls to ensure that financial reporting is prepared in accordance with applicable rules. These are described in more detail here: https://www.northmedia.dk/governance-cfm and are reviewed at least once a year by the Board of Directors and Executive Board of North Media.
ESG risks in North Media are assessed based on the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures). In the short term, no real opportunities have been registered, which is why only risks are included.

In the TCFD, you must also assess whether your climate-related risks are "Transitional" or "Physical" - here they are assessed to be "Transitional", as it is the movement towards a more sustainable focus in the future that increasingly affects us and not climate change itself.



Top five risks

	E (Environment) Transitional risk	S (Social)	G (Governance)	Cyber and IT-threats (incl. GDPR)	Rejection of classic retail channels (consolidation)
Risk	With the increasing focus on climate and the environment, all businesses are being scrutinised by consumers, legislators and companies. This focus could potentially alter behaviour and preferences towards increasing demand for more climate-friendly and sustainable products. Storms, floods, heatwaves and other potential direct consequences of climate change could im-pact the distribution of door drop media or demand for rental apartments. Climate change could also indirectly prompt new legislation and statutory requirements that could limit or im-pose taxes on the Group's activities, such as CO2 taxes, emission limits, environmental standards and reporting duties.	The principal social challenge North Media faces is to balance our business objectives with our social responsibility towards deliverers, customers, suppliers and society. We must ensure that we treat all stakeholders with respect, fairness and dignity, and that we make a positive contribution to the social environment. Failing to uphold our social responsibilities could potentially prompt motivation and loyalty issues with employees, changes in purchasing behaviour and loyalty among customers, collaboration challenges with suppliers and reputational damage with public authorities, the media, NGOs and other actors.	Political initiatives can materially impact the Group's activities. Lack of robust and integrated risk management that can identify, assess, address and report on the material governance risks can leave North Media open to political decisions are made on an incorrect and inappropriate basis or that our own operations are carried out in a critical manner.	The majority of the Group's activities are based on or rely on IT systems that are connected to the Internet, cyber threats constitute a risk. If critical systems become inaccessible for a long time, customers may be lost and the reputation of the Company may suffer. Cyberattacks or inadvertent errors may cause the Group to lose personal data, and confidential information may be stolen or compromised. This in turn may result in fines, loss of customers, and it may harm the Group's reputation.	Decline in the volume of printed matter for distribution by FK Distribution. Declining volumes and a changed marketing mix (channel strategy) by retailers could be triggered by major price increases on paper or structural shifts in the market, with advertising becoming more digital, as well as the consolidation and/or closure of retail chains.
Mitigating risks	We have computed the Group's CO_2e figures for Scopes 1, 2 and 3 in 2023. The figures form the foundation for initiatives necessary to achieve a 50% reduction in CO_2 emissions by 2030. The targets are being third party-verified by SBTi (Science Based Target initiative). Targets and initiatives must ensure that we comply, as a minimum, with society's requirements on emission reductions.	We have consistently, including in 2023, studied processes and work procedures for managing potential challenges that may arise for our most vulnerable social group - young people. We intend to set out an actual policy in 2024, based on our existing work for a sharper and more precise focus on providing decent working conditions for young people and our deliverers generally. Furthermore, we are reviewing contracts and collaborative agreements with subcontractors to ensure that here too, no transgressions occur that are irreconcilable with our values and views.	We make a determined effort to contribute to policymakers having a well-documented and accurate basis for decision-making in areas that may affect the Group's activities. In addition, we work constantly to prioritise complying with applicable rules and standards via internal controls and risk management processes as well as regularly reviewing policies for processes and work procedures.	We regularly train our staff to be vigilant of cyber risks and invest in strengthening monitoring of systems/networks, renewing technology, logging and backup/restore policies. With respect to GDPR, we have set up a function in our legal department that collaborates with internal personal data experts in all business fields.	We work to develop new complementary products (whether physical or digital) and price adjustments on the distribution of printed matter. Ongoing efficiency enhancements in production processes may reduce the eventual impact of reduced volumes of printed matter.

Corporate Governance

Duties and responsibilities of the Board of Directors

The Board of Directors is responsible for the general and strategic governance of North Media A/S and for ensuring that the Company is managed appropriately and in accordance with its articles of association and Danish legislation. The Board sets out the Group's business concepts, strategies, objectives, policies and guidelines, including the Scope of its financial structure and risk management. The Board appoints and acts as a sounding board for the Group Executive Board.

The Board held 11 meetings in 2023, compared with 12 in 2022. The Group Executive Board a attend all board meetings of North Media A/S. In addition, the boards of the operating companies hold separate board meetings.

Composition of the Board of Directors

Members of the Board of Directors are elected for terms of one year at a general meeting, which is the supreme authority of the Company. In 2023 the Board of Directors consisted of five members.

The Board of Directors is composed with due consideration for the competencies that are deemed particularly relevant to the Group.

The Board performed its annual self-evaluation in the fourth quarter, and the evaluation was performed without external assistance. he conclusion of the assessment was that the Board is well-functioning and the members work well together, and that there is a sound and open debate as well as a focus on the areas that contribute to actual value creation for the Group. The survey also identified new themes that the Board intends to pursue in 2024.

The Board of Directors considers competencies in the following areas to be particularly relevant: Experience and visions with regard to establishing operation, maintenance, expansion and management of scalable businesses within Last Mile as well as Digital Services: understanding of ESG and environmental- and climate issues; economics and legal know how as well as management experience related to listed companies.

The Board of Directors is composed of individuals that between them represent these competencies and also reflects diversity in terms of age, professional background, educational background and experience. Each board member's CV and areas of expertise are listed on pages 45-48.

The chairman and two of the board members are independent as per the definitions ap-plied by the Committee on Corporate Governance, while two are not independent:

- The Vice-Chairman, Richard Bunck, is the company's founder and principal share-holder. It is entirely appropriate for the founder and principal shareholder to serve on the Board, and his interests are aligned with those of other shareholders.
- Ulrik Holsted-Sandgreen is a lawyer and partner of the law firm Horten Advokatpartnerselskab, which provides professional advisory services to the Group. Ulrik Holsted-Sandgreen has served on the Board for a period exceeding 15 years, being first elected to the Board in 2008.

Board committees

The Board of Directors continued in 2023 to have an Audit Committee, a Nomination and Remuneration Committee, a Sustainability Committee, an IT Security Committee, an Infrastructure Committee and a Legal Committee.

The Audit Committee has three members: Ulrik Holsted-Sandgreen, Ulrik Falkner Thagesen and Ann-Sofie Østberg Bjergby. The Audit Committee monitors the financial reporting, internal controls and audits. The organisation and tasks of the Audit Commit-tee are specified in its terms of reference, which are posted on the website. The Audit Committee held three meetings in 2023, compared with six in 2022.

The Nomination and Remuneration Committee has three members: Ole Borch, Richard Bunck and Ann-Sofie Østbjerg Bjergby. The Nomination and Remuneration Committee performs the Board's preparatory work in nominating and selecting candidates for North Media A/S's Board of Directors and Group Executive Board, and makes recommendations on the remuneration of the Group's executive management. The organisation and tasks of the Audit Committee are specified in its terms of reference, which are posted on the website. The Nomination and Remuneration Committee held meetings in connection with the board meeting in North Media.

The Sustainability Committee has two members: Ann-Sofie Østberg Bjergby and Ulrik Falkner Thagesen. The Committees 2023 focus has been on the preparation of North Medias first ESG report, the identification of goals for CO_2 reduction as well as concrete measures for achieving these. The committee's terms of reference are available on the website. The Sustainability Committee held five meetings in 2023, as in 2022.

The IT Security Committee has two members, Ulrik Holsted-Sandgreen and Ulrik Falkner Thagesen. The IT Security Committee defines the framework for and oversees the initial and continued development and implementation of digital security efforts. The committee's terms of reference are available on the website. The IT Security Committee held four meetings in 2023, as in 2022.

The Infrastructure Committee has two members: Ole Borch and Richard Bunck. The committee monitors the expansion of advanced infrastructure based on the tools and solutions that enable the Group to produce and sell high-volume services at low unit costs. The committee's terms of reference are available on the website. The committee held three meetings, the same as in 2022.

The Legal Committee has three members: Richard Bunck, Ole Borch and Ulrik Holsted-Sandgreen. The Legal Committee defines a framework for and oversees that assignments of a legal nature are carried out and continuously optimised at a highly qualified, commercial and professional level. The committee held three meetings, the same as in 2022. The committee's terms of reference are available on the website.

Group Executive Board

Effective from 4 October 2023 the Group Executive Board was extended from three to four members.

This was the next step in the process of strengthening the position of the Executive Board, first initiated in April 2022.

Martin Frandsen Tobberup joined the Executive Board as Group Chief Digital Officer on 4 October 2023. Thus, Martin Tobberup has taken responsibility for ensuring that all companies and functions within the Group continue to strive for the application of the best, most appropriate and if possible, also most uniform digital tools and software solutions, contributing to increased turnover, productivity, and profitability. It is furthermore Martin Tobberups responsibility to set the direction for building the digital foundation for the future of the companies within the Group.

The new Chief Digital Officer position must ensure, that, in a World of constantly increased speed on digital development, the companies within the Group are continuously operated and developed based on the most recent technological possibilities within a frame of uniform principles focused on volume, quality, growth and value creation.

From 4 October 2023 the Group Executive Board consists of the following members:

- Lasse Ingemann Brodt, CEO
- Kåre Stausø Wigh, CFO
- Lisbeth Britt Larsen, CHRO
- Martin Frandsen Tobberup, CDO

Managements of the operating companies

The CEOs of the operating companies report to their separate boards of directors. Group CEO Lasse Brodt is chairman of the boards of the operating companies. The chairman and Vice-chairman of North Media A/S' board are also members of these. BoligPortal's board of directors consists of the aforementioned individuals with the addition of Ann-Sofie Østbjerg Bjergby, who has served on the board of North Media A/S since 2021.

In addition to their commercial responsibilities as part of their day-to-day management, the operating company CEOs are also charged with executing on strategies and with ensuring implementation of and compliance with concepts and policies resolved by the Board of Directors.

Corporate Governance

As required under section 107 b of the Danish Financial Statements Act, North Media A/S has prepared a statutory report on corporate governance 2022, which is available at https://www.northmedia.dk/governance-cfm.

The report sets out the Board of Directors' position on the Danish recommendations on corporate governance issued by the Commit-tee on Corporate Governance. Together with applicable law and the company policies of North Media A/S, these recommendations form the basis of the considerations of the Board of Directors and the Group Executive Board from time to time regarding the Company's practices and procedures.

North Media A/S follows 37 of 40 recommendations made by the Committee on Corporate Governance. The Company does not comply with three of the recommendations, as explained in the following:

- In item 1.2 the committee recommends that the annual general meeting is a webcast of the annual general meeting is made. This will, due to very low viewership in previous years, not be the case in 2024 and this recommendation is hence not followed.
- In item 3.4.2, the committee recommends that a majority of the members of a board committee are independent. A majority of the members of the statutory Audit Committee, the Sustainability Committee and the Nomination and Remuneration Committee are independent. The Infrastructure Committee, the Legal Committee and the IT Security Committee do not have a majority of independent members. The Board believes that a board member's competencies and contribution to these committees outweighs the importance of the member being independent.

- The Company does not comply with recommendation 4.1.5 that members of the board of directors should not be remunerated with share options and warrants. The Board of Directors believes that it is in the shareholders' interests for board members also to have a financial interest in long-term value-accretive growth in and by the Company. Share options are granted to board members in accordance with the Company's remuneration policy, which was approved by the shareholders in general meeting. A smaller portion of share options to a single board member, not being "in-the-money" as of 31/12 2023 will expire four weeks after the publication of North Media's Q1 2024 interim report.

Remuneration report

As required under section 139 b of the Danish Companies Act, North Media A/S has pre-pared a statutory remuneration report. The Remuneration Report is available from the Company's website https://www.northmedia.dk/vederlagsrapport/.

ESG management

To ensure effective management of sustainability, we have established a robust structure we believe that ensures effective governance:

- Sustainability manager: A dedicated sustainability manager reports directly to the CEO and has operational responsibility for implementing and coordinating the company's sustainability strategy.
- Board Committee: A sustainability board committee oversees the company's sustainability work. The committee monitors progress, approves strategic goals and ensures that sustainability is an integral part of the company's strategy.
- Executive Board involvement: The Executive Board is actively involved in sustainability work at a strategic level. They attend regular meetings on sustainability and take decisions on significant initiatives.

C = Chairman, VC = Vice Chairman, BM = Board Member; C = CEO
External managerial positions are stated at 28 February 2024.

Board of Directors

Personal information | Experience | Other board and executive positions held | Special areas of expertise

Ole Elverdam Borch

Chairman, independent

Member of the Board since:
27 March 2020

Born:
1956

Committees served on:
Nomination and Remuneration Committee, Infrastructure Committee and Legal Committee

Experience

- 2016- Partner of Borch & Elverdam law firm
- 1983- Board and executive positions held in numerous companies .
- 1982-2016 Partner of Bech-Bruun law firm

Other board and executive positions held

- Borch & Elverdam law firm, partner
- Sirena Group A/S (VC)
- FFH Invest A/S (C)
- LHFO A/S (C)
- LHFO B P/S (C)
- LHFO D P/S (BM & C)
- LHFO K ApS (D)

Special areas of expertise

In-depth general management knowledge and experience (governance matters) acquired through board and executive positions held with numerous companies since 1983.

Special expertise in corporate change management .

M&A experience

Richard Gustav Bunck

Vice Chairman, not independent 1)

Member of the Board since:
2 April 1965

Born:
1940

Committees served on:
Nomination and Remuneration Com-mittee, Infrastructure Commit-tee and Legal Committee

Experience

- 1996 Set up the Group's internet activities
- 1978 Published the inaugural issue of Søndagsavisen, a weekly newspaper that would grow to have the largest circulation and the largest readership among Danish newspapers.
- 1965 Established Forbruger-kontakt
- 1963 Thule Air Base, Greenland, administration and management
- 1963 Completed shipping-man training with EAC
- 1956 Six years as a newspaper deliverer

Other board and executive positions held

- Baunegård ApS (CEO)
- Bunck Invest 1 ApS (CEO)
- LeanLinking ApS (BM)

Special areas of expertise

In-depth management and business develop-ment experience, and not least with infrastruc-ture.

A true entrepreneur who sees new business opportunities as society and markets change and evolve.

Activities initiated are built on strong principles that reflect the Group's values of customer focus, responsibility, quality, fairness and positive aggressiveness.

Ulrik Holsted-Sandgreen

Board Member, not independent 2)

Member of the Board since:
4 April 2008

Born:
1970

Committees served on:
IT Security Committee and Audit Committee

Experience

- 2015- Horten Advokatpartnerselskab, partner
- 2013-2015 Plesner Advokatpartnerselskab, partner
- 2005-2013 Bech-Bruun Advokatfirma partner
- 1998-2005 Bech-Bruun dvokatfirma lawyer

Other board and executive positions held

- Horten Advokatpartnerselskab, partner

Special areas of expertise

In-depth knowledge of international and national legal matters, including company and stock exchange law .

1) Richard Bunck is not considered an independent board member, being the principal shareholder of North Media A/S among other.
2) Ulrik Holsted-Sandgreen is not considered an independent board member, being a lawyer and partner of the law firm Horten Advokatpartnerselskab among other, which provides professional advisory services to Richard Bunck and the North Media Group.

C = Chairman, VC = Vice Chairman, BM = Board Member; C = CEO
External managerial positions are stated at 28 February 2024.

Board of Directors

	Personal information	Experience	Other board and executive positions held	Special areas of expertise
	**Ulrik Falkner Thagesen** Board member, independent **Member of the Board since:** 27 March 2020 **Born:** 1971 **Committees served on :** Audit Committee, IT Security Com-mittee and Sustainability Committee.	• 2017- e-Boks Group A/S, CEO • 2007-2017 MediaCom Nordic, CEO • 2007-2015 MediaCom Danmark A/S, CEO • 2011-2015 External professor, responsible for the marketing course, DTUs Executive MBA • 2003-2006 MediAid - Media, Marketing & Management Consultancy, founder & partner • 1999-2003 Universal McCann, various positions held, ultimately as managing director • 2000-2003 Newway McCann Interactive, founder & managing partner • 1996-1999 Initiative Universal Media, , various positions held, ultimately as account manager • 1996-1996 Expansion Marketing - IT re-search	• e-Boks Group A/S (CEO) • Falkner Holding ApS (CEO) • Karman Connect A/S (C) • PeytzMail A/S (BM)	Management and scaling businesses for growth. Strong strategic and digital trans-formation skills. Excellent understanding of finance and account-ing, both academically and commercially
	**Ann-Sofie Østberg Bjergby** Board member, independent **Member of the Board since:** 26 March 2021 **Born:** 1987 **Committees served on :** Audit Committee, Nomination and Re-muneration Committee and Sustaina-bility Committee..	• 2020- AKF Holding A/S, CFO • 2019- CBS, External Lecturer • 2017-2020 Sovino Brands ApS, CFO • 2015-2017 PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab (PwC), M&A, Deals - Advisory • 2012-2015 Deloitte Statsautoriseret Revisionspartnerselskab, M&A, Financial Advisory • 2011-2012 GN Netcom, controller • 2009-2011 Deloitte Statsautoriseret Revisionspartnerselskab, revision	• AKF Holding A/S (CFO) • Ejendomsselskabet Nordtyskland (EKAS) (BM) • BA Technologies ApS, (VC)	Solid understanding of finance, financial report-ing, accounting, risk and effective data procure-ment. Experience in automation, IT implementation and robotics, strategy and M&A from several years as a consultant in the field. Particular interest and expertise in sustainable management and the green transition, including the EU Taxonomy. GHG emissions (Scopes 1 to 3), the UN Global Compact and general ESG best practice.

C = Chairman, VC = Vice Chairman, BM = Board Member; C = CEO
External managerial positions are stated at 28 February 2024.

Executive Board

	Personal information	Educational background	Experience	Other board and executive positions held
	**Lasse Ingemann Brodt** Group CEO **Joined the Executive Board:** 2 april 2018 **Born:** 1973	• 2000 Media programme, Danish School of Advertising • 1999 MSc Economics and Business Administration	• 2012-2018 Forbruger-kontakt A/S, Chief Sales Officer • 2015- Nine years as a deliverer • 2010-2012 Bring Express A/S, CEO, Bring Danmark A/S, Chief Commercial Officer • 2009-2010 Bring Express A/S, CEO, VP, Sales and Marketing Executive • 2002-2009 Benjamin Media, a part of Bonnier Publications A/S, various positions held, ultimately as Sales and Marketing Executive • 2000-2002 Berlingske Media, various positions held, ultimately as Head of Customer Contacts	• None
	**Kåre Stausø Wigh** Group CFO **Joined the Executive Board:** 1 September 2006 **Born:** 1969	• 2011 Executive MBA - CBS-SIMI, • Copenhagen Business School • 2005 Advanced Development • Programme - Cranfield School of Management • 2000 Program for Executive Development - IMD • 1994 HD Graduate Diploma in accounting and financial management, Copenhagen Business School	• 2001-2005 The East Asiatic Company Ltd. (Singapore), senior financial controller • 1997-2001 Plumrose Latinoamericana C.A. (Caracas, Venezuela), assistant to CEO • 1995-1997 Plumrose, Latinoamericana C.A. (Cagua, Venezuela), administration manager • 1991-1995 EAC Shipping A/S, manager accounts	• Travelmarket A/S (BM) • LeanLinking ApS (BM) • KSW Invest ApS(CEO)

C = Chairman, VC = Vice Chairman, BM = Board Member; C = CEO
External managerial positions are stated at 28 February 2024.

Executive Board

	Personal information	Educational background	Experience	Other board and executive positions held
	**Lisbeth Britt Larsen** Group CHRO **Joined the Executive Board:** 2 April 2022 **Born:** 1973	• 1998 M.Sc. Economics and Business Administration - Strategy, Organisation and Leadership, Copenhagen Business School	• 2020-2022 North Media A/S, Head of Group HR • 2010-2020 Forbruger-kontakt A/S, Head of HR • 2008-2009 Bring Citymail, Head of QA • 2006-2008 IBM, Contract Business Operations Manager • 1998-2006 Maersk Data A/S, Project Manager, Business Development	• None
	**Martin Frandsen Tobberup** Group CDO **Joined the Executive Board:** 4 October 2023 **Born:** 1981	• 2007 MSc in Economics and Business Administration - Aarhus BSS	• 2022-2023 BoligPortal A/S, CFO • 2020-2022 North Media Online, CFO • 2019 LEGO System A/S - LEGO Education, Head of Financial Planning & Analysis • 2016-2019 eBay Classified Scandinavia ApS, various positions held, ultimately as CFO • 2013-2016 LEGO System A/S, various positions held, ultimately as Senior Finance Manager R&D Finance • 2011-2013 Deloitte Consulting, Manager • 2007-2010 Accenture Management Consulting, Consultant	• Boligportal A/S (CFO), until 1 March 2024

Shareholder information

Dividend

The Board of Directors intends to propose to the shareholders at the general meeting to be held on 12 April 2024 that a dividend of DKK 4 per share be paid in respect of the 2023 financial year. The recommended dividend would result in a total amount to be distributed of DKK 80.2 million or DKK 71.9 million exclusive of the holding of treasury shares.

The proposal implies a dividend payout of 62% of the net profit for 2023 excluding the return on securities (2022: 48%). The recommended dividend represents a dividend yield of 6.2% relative to the share price at 31 December 2023.

Including the proposed dividend, North Media will have returned a total of DKK 451m to the shareholders through dividends and share buybacks over the past five years.

(DKKm)	2023
Amount available for distribution	
Retained earnings at 1 January 2023	850.6
Net profit for the year	265.0
Currency adjustments	-0.2
Dividend distributed	-80.2
Dividend on treasury shares	6.0
Sale of treasury shares	-29.3
Tax on share options	0.3
Share-based remuneration	0.2
Total amount available for distribution	1,012.4
Recommended distribution of profit	
Dividend to shareholders	80.2
Retained earnings	932.2

Market capitalisation and trading

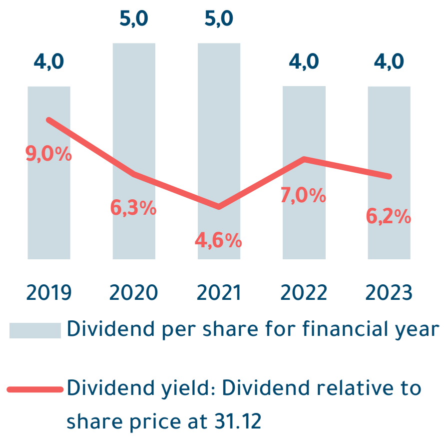
North Media shares are a component of the Nasdaq OMX Copenhagen Mid Cap index.

Following major losses on the Group's securities portfolio in 2022, the shares regained their value in 2023 and nearly recovered the negative return incurred in the previous year. North Media shares opened 2023 at a price of DKK 57.0 per share and closed the year at DKK 65.0 per share, equal to a return of 14.0%. Including the dividend paid in March, the return to shareholders was 21.1%. By comparison, Danish Mid Cap shares produced a positive return of 3% exclusive of dividends.

North Media shares had a market capitalisation of DKK 1,304m at 31 December 2023 compared with DKK 1,143m at 31 December 2022. The market capitalisation less the value of treasury shares increased during the year from DKK 1,050m to DKK 1,168m

Trading in the stock has been unchanged compared to 2022, with a total of just over 3 million traded shares, corresponding to an average daily trading of 11,998 shares.

Shareholder return



Investorbase

At 31 December 2023, North Media had 3,410 registered shareholders (2022: 3,772).

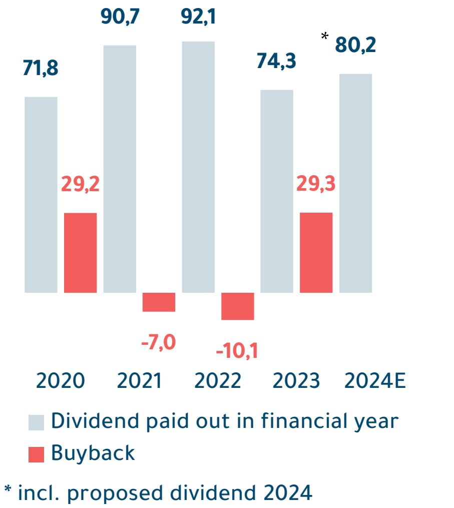
At 31 December 2023, the 30 largest shareholders held 84.84% of the shares in aggregate. The group of the thirty largest shareholders consists besides Richard Bunck's Baunegård ApS, mainly of Danish pension funds, investment associations and private investment companies, executives of the Group as well as international asset managers and family offices. At 31 December 2023, the Company's Board of Directors and Executive Board, including Baunegård ApS, held a total of 11,560,290 shares, equal to 57.6% of the share capital. International investors held about 11.5% of the shares.

Two shareholders have reported holding more than 5% of the shares and the voting rights:

Baunegård ApS, Fredensborg Kongevej 49, DK-2980 Kokkedal is the Company's principal shareholder with 56.56% of the shares. Baunegård is wholly owned by North Media's founder and vice-chairman of the Board, Richard Bunck. Baunegård prepares consolidated financial statements that include North Media.

In addition, North Media A/S, of Gladsaxe Møllevej 28, 2860 Søborg, holds 10.4% of the

Amounts distributed in last five years



Company information

Adress:	North Media A/S Gladsaxe Møllevej 28 DK - 2860 Søborg
Website	www.northmedia.dk
Tel:	(+45) 39 57 70 00
E-mail:	investor@northmedia.dk
CVR no.:	66 59 01 19
Securities ID code:	DK001027034-7
Auditors:	Pricewaterhouse Coopers Statsautoriseret Revisionspartnerselskab
Bankers:	Danske Bank A/S

shares as treasury shares. This shareholding increased during the course of the year from 9.52% of the share capital, due to shares acquired for the treasury holding and executives exercising their share options.

A list of senior executives' shareholdings is provided in the Remuneration Report.

Investor relations

North Media frequently holds conference calls, and our dialogue with shareholders, prospective investors, analysts and others also includes individual meetings, group presentations and seminar, which are generally held as virtual events.

The Company collaborates with HC Andersen Capital on digital IR and events, with the company Aktieinfo on providing research and with ABGSC on research coverage, investor events and market making. The equity reports and presentations are available on the Company's website.

Share capital unchanged

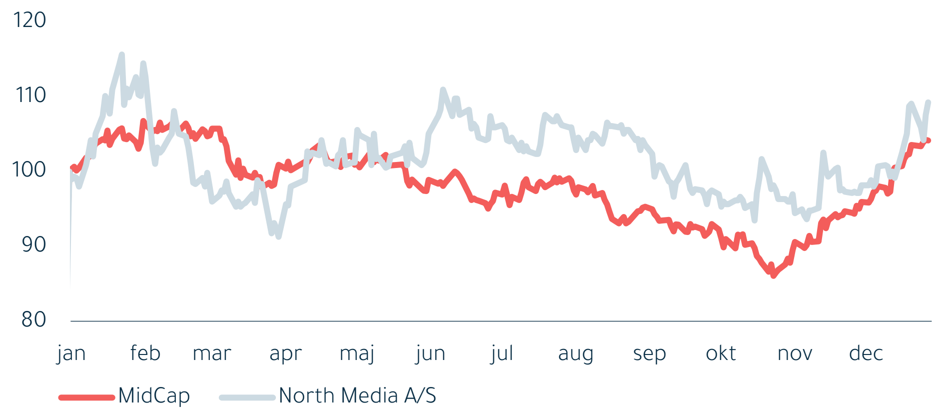
The share capital was unchanged at DKK 100.3 million, distributed on 20,055,000 shares of DKK 5 nominal value. All shares are listed on Nasdaq Copenhagen. No shares carry special rights, and all shares are freely negotiable.

Any amendment to the Articles of Association must be presented to the general meeting and must be adopted by at least two-thirds of the votes cast as well as of the voting share capital represented at the general meeting. Proposals submitted by parties other than the Board of Directors or not accepted by the Board also require that at least half of the voting share capital is represented at the general meeting.

Authority granted to the Board of Directors

The Board of Directors is authorised, in the period to 25 March 2026, to increase the share capital in one or more issues by up to DKK 25 million by way of cash or otherwise.

Share price performance, indexed 1 January 2023 - 31 December 2023



Capital increases may be effected without pre-emption rights to existing shareholders if carried out at market price or as consideration for the acquisition of an existing business or specific assets of a value that equals the value of the shares issued. In all other cases, the existing shareholders are entitled to subscribe for new shares in proportion to their existing shareholdings.

The Board of Directors is also authorised to let the Company acquire treasury shares of a total value of up to 15% of the share capital in accordance with current legislation. Purchases of treasury shares must be made at the market price prevailing from time to time subject to a deviation of up to plus or minus 5%. The authorisation is valid until 27 March 2025.

Information regarding a change of control of the Company

The Danish Financial Statements Act requires listed companies to publish information in relation to provisions on a change of control of the company. No significant agreements would be affected by a change of control of the Company. Nor have any special agreements been entered into with directors or employees regarding remuneration, severance pay or the like in connection with potential takeover bids.

Treasury shares

The Group held 2,085,097 treasury shares at 31 December 2023, equal to 10.40% of the share capital. For more information, see notes 7 and 20.

The holding of treasury shares covers 102,500 share options awarded to senior executives as part of the share option programme launched in 2018. Treasury shares may also be used for full or partial payment of any future acquisitions of or investments to be made in other companies.

ESG CONTENT

ESG

The following 48 pages comprise North Media's ESG report for 2023, and also contains the statutory reporting according to ÅRL §99a on pages 80-81 and page 85.

The structure is aligned with the new requirements that apply to CSRD reporting from 2024.

The section starts by running through the double materiality assessment and is followed by separate sections for:

- **E**nvironment
- **S**ocial
- **G**overnance

The individual sections include a current status update and targets for the material focus areas.

The Governance section includes factors related to the special Danish rules for Code of conduct, cf. section 107b of the Danish Financial Statements Act, risk management and governance, including rules for data ethics in accordance with section 99d of the Danish Financial Statements Act, and diversity in accordance with sections 99b and 107d of the Danish Financial Statements Act, page 79-85.

As part of the ESG report for 2023, a full report on ESRS S1 own workforce has been prepared.

All CSRD areas will be included in the 2024 annual report.

Sustainability and ESG – and some abbreviations

North Media is among the first less than hundred larger Danish companies to be covered by the EU's new Corporate Sustainability Reporting Directive, also known as the CSRD, from 1 January 2024. The EU's aim with the directive is to put ESG data on an equal footing with financial data. This is because relevant, comparable and reliable information on sustainability is a prerequisite to achieving the goals of the EU's action plan for financing sustainable growth under The European Green Deal. In addition to redirecting the flow of capital towards sustainable investments, the EU's action plan is also motivated by a wish to promote transparency across financial activities.

The CSRD rules therefore mean stricter requirements and the harmonisation of sustainability reporting for European businesses. The European Financial Reporting Advisory Group **(EFRAG)** has developed a connected and comprehensive set of standards; The European Sustainability Reporting Standards, also called **ESRS**, which cover aspects of sustainability from a double materiality perspective and define what and how companies have to report to comply with the CSRD rules.

North Media's ESG reporting has been inspired by the ESRS requirements, though we do not yet fully report in accordance with our completed, preliminary double materiality assessment.

The first 12 standards, two cross-cutting and ten sector-independent, adopted in July 2023, are those we apply to the best of our ability in our work to comply with the CSRD requirement.

Since its establishment in 1965, North Media has been a data-driven company founded on concepts like integrity, responsibility, honesty and quality. Doing what is right, even if it is not necessarily financially optimal in the short term.

North Media welcomes the new EU directive with stricter reporting requirements on sustainability. The requirements ensure that everyone has to communicate on sustainability in a consistent and objective way and on a comparable basis. While the obligation to report does not apply until the 2024 annual report, North Media has decided to implement selected CSRD requirements in this annual report, just as the accounts are set up in accordance with the requirements of the directive,

For instance, North Media has opted to undertake and include a double materiality assessment. Furthermore, North Media has decided to report on material factors relating to its own workforce in accordance with the relevant disclosure requirement under ESRS S1, as we assess that own workforce is the most important standard for us given that we employ around 10,000 young delivery personnel. Finally, North Media had already in 2023 begun to develop new processes and work procedures for ESG reporting and documentation in accordance with the cross-cutting and sector-independent ESRSs, so that North Media is ready to submit full CSRD accounts from 2024.

Double materiality assessment (DMA)

Double materiality assessment (DMA)
When preparing the **D**ouble **M**ateriality **A**ssessment, the company must identify and assess actual and potential Impacts, Risks & Opportunities, designated IROs, within climate, the environment, social and governance.

North Media has conducted its first DMA this year based on the entire North Media Group's value chain with focus on activities, business connections, stakeholders and geographical factors. North Media has used EFRAG's guidelines combined with its own interpretation of the standards to identify, assess and prioritise the IROs.

Thresholds have been set in the weighting of materiality (essential, significant or important). The thresholds have been determined in a dialogue between internal experts, management and external consultants.

North Media has prepared ESG ac-counts aligned to the new CSRD requirements, and has included the ac-counts as an integral part of the management report with a separate auditor's report.

The value chains of the individual business areas are shown under the individual company descriptions on pages 13-34.

As part of the ESG report for 2023, a full report on ESRS S1 - own workforce has been prepared.

All material ESRS areas will be included in the 2024 annual report.

All supplemented by existing company analyses. An impact, risk or opportunity assessed to be material for North Media is also considered material for the purpose of reporting based on the ESRS's disclosure requirement.

As the ESRS principles on double materiality and the requirements for the assessment are very extensive, North Media has this year decided to limit stakeholder involvement in connection with the assessment of sustainability-related IROs to internal experts.

The result presented below gives an accurate picture of North Media's impacts, risks and opportunities. However, North Media acknowledges that the method used has limitations, so North Media will therefore further develop the DMA process and methodology based on the final implementation guidelines to be published by EFRAG in 2024.

Of the ten sector-independent ESRSs, North Media has identified and assessed six as material for the report, three as non-material and one that is touched on peripherally in the report, as can be seen from the following pages.

North Media acquired the Swedish company SDR as of 29 December 2023, as described on page 13, 20-21. The company operates in the same market and has many of the same sustainability issues and opportunities as FK Distribution. SDR will be integrated into North Media's ESG work in 2024 and the company will be included in the CSRD report from 2024.

This may affect the prioritisation of the activities described and the targets set. The ESG section for 2023 is based solely on the Danish existing activities and will be adjusted in 2024.

Key stakeholders (ESG)

Below is a brief overview of the most important stakeholders in North Media and how we intend to engage them in our work with sustainability in the future:

Own employees:
We will involve employees in sustainability initiatives to increase motivation and ensure impact.

Customers:
We must be prepared to meet customer demand for sustainable products and services.

Suppliers:
We will work with our suppliers to reduce CO_2e emissions and ensure sustainable sourcing.

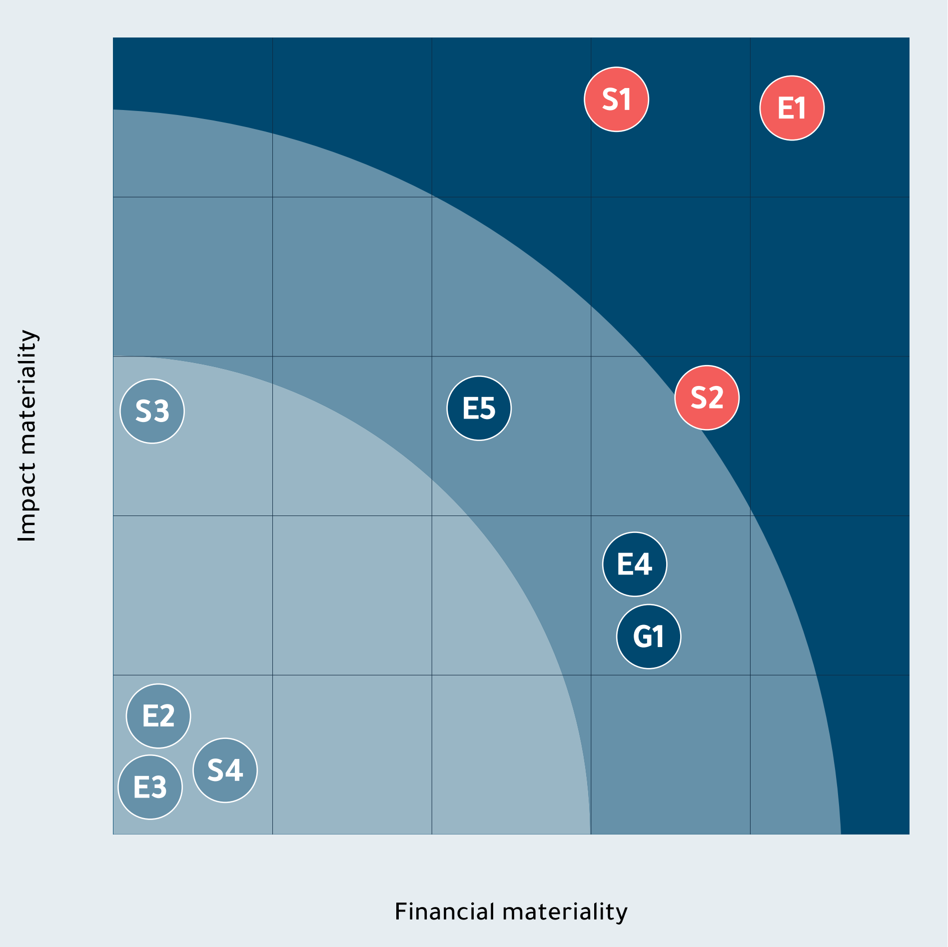
Politicians:
We will continue the dialogue with politicians to ensure good conditions for sustainable growth.

Investors:
With the CSRD, we want to create transparency for our work with sustainability
.

Double Materiality Assessment

ESG in North Media A/S is based on the Double Materiality Assessment as described in the ESRS 1.

Double materiality assessment for North Media A/S



ESRS standards for sustainability reporting

The European Sustainability Reporting Standards (ESRS) consist, for now, of 12 standards

The two cross-cutting standards define the framework for the double materiality assessment and the reporting:
ESRS 1: General principles
ESRS 2: General disclosure requirements on strategy, management and materiality

The ten sector-independent ESRSs are the ESG standards that North Media has considered based on the principle of double materiality. North Media has identified its impacts on the environment, people and society (Impact, materiality assessment) and the sustainability-related risks that North Media is exposed to (Financial materiality assessment).

The 10 sector-independent standards with underlying subcategories and sub-subcategories are:

E Environment

E1: Climate change
E2: Pollution
E3: Water and marine resources
E4: Biodiversity and ecosystems
E5: Resources and circular economy

S Social

S1: Own workforce
S2: Workers in the value chain
S3: Affected communities
S4: Consumers

G Governance

G1: Business conduct

Approach to the double materiality analysis (DMA)

- DMA analyses for North Media A/S, FK Distribution, BoligPortal, Ofir and Bekey based on the parameters:
  - Own companies
  - Value chain (suppliers and end users)
- Materiality has been assessed on the basis of intrinsic (gross) IROs at two workshops with the sustainability department, internal employees and external experts. The latter acted as a proxy for the interests and opinions of relevant stakeholders. The residual (net) IROs are the starting point for reporting.
- The results have been considered and approved by the Sustainability Committee of the Board of Directors and the Executive Board of North Media A/S.

Essential and significant factors

Essential factors

E1 **Climate change** (double material) is a result of global CO2e emissions, and the topic is assessed as mate-rial for North Media given the seriousness of the impact and the associ-ated financial con-sequences.

North Media has joined the Science Based Targets initiative, targeting an absolute 50% reduction in scopes 1, 2 and 3 emissions by 2030 and to be net-zero-emitting by 2050 at the latest. The targets are awaiting final validation from SBTi.

The climate debate in Denmark has tended to focus exclusively on Danish emissions and how we as a country can achieve our target of a 70% reduction by 2030.

North Media does not agree with this approach. CO2e emissions are a global problem, and can only be solved by everyone taking responsibility for total emissions, including CO2e emissions from imported products. Driving CO2e-emitting businesses out of Denmark is point-less if the alternative is that we as a society continue to consume the same goods, only produced in another country with an even higher CO2e intensity. Our work with climate and the environment is characterised by this position.

The primary source of North Media's emissions is scope 3 at our suppliers. Hence, focus this year has been on understanding emissions throughout the entire value chain, so that we can set specific targets for reductions. North Media's scope 1 and 2 CO2e emissions are limited and will be reduced further by the completion of the solar panel plant in Tilst.

No direct climate-related risks or opportunities have been identified in relation to the Group's operations or balance sheet.

S1 **Own workforce** (double material) is assessed to be material as a result of the impact assessment we conducted as part of our due diligence process covering our own workforce. The analysis covers impacts on salaried employees, production workers and deliverers.

The analysis has helped identify and assess positive as well as potential adverse material impacts on a total of seven labour and human rights, including the right to non-discrimination, sufficient wages, equal pay for equal work, safe and healthy working conditions, etc. In total, 3 positive impacts and 4 potentially adverse impacts have been identified.

As part of the due diligence process, descriptions have been prepared of impacts and whether they are "caused by", "with a contribution from" or "linked to" North Media. Affected stakeholders are identified and methods of engagement and communication are described along with existing and planned actions and initiatives to prevent, mitigate or remediate the impact.

North Media has decided to report on the disclosure requirements related to the ESRS S1 standard from 2023 in order to gain experience and learn about the scope of the new requirements. We have selected one material ESRS topic, and the choice of "Own workforce" is natural in light of our obligations as Denmark's probably largest and, for many, first workplace for young workers.

Significant factors

S2 **Workers in the value chain** (double material) Our workers in the value chain are of great importance to North Media, and therefore it has been a significant focus area for many years.

A large part of the group is hauliers and smaller, self-employed people who distribute newspapers and printed matter, and where North Media has limited opportunities to control the work performed. We have therefore long worked separately with safety, health and pay conditions for this group of employees.

At the self-employed hauliers and smaller self-employed people, e.g. a portion of workers in the value chain belong to socially marginalised groups or minorities. We have increased awareness of this in our collaboration with these.

Unit of measurement DMA

If the materiality of an ESG topic is assessed to be important or higher, the topic must be reported on.

Reporting: Essential, Significant, Important – **Material**

Informative, Minimal – **Immaterial**

Important factors

Important

E4 **Biodiversity and ecosystems** (financial important)
North Media has identified financial risks in connection with the increasing focus of the authorities on biodiversity and conservation areas. A potential regulatory initiative that impacts the extent of active forestry based on the EU's 2030 targets for biodiversity could indirectly impact North Media's distribution of printed matter.

Waste wood from forestry is an essential element in paper production and thus for FK Distribution's customers. Without active forestry, the price of paper is expected to rise. North Media considers it less likely that this scenario will materialize, but it is continuously monitored.

It is not possible to influence this risk, as it is a risk that could primarily affect FK Distribution's customers.

E5 **Resources and circular economy** (double material) FK Distribution has considerable resource inflows and outflows, including from paper, pallets, printing ink, bicycle trailers and hand-carts. Moreover, parts of Bekey's lock units are currently produced in Asia, with many of the minerals stemming from active mining operations.

As described under E4, legislative initiatives on biodiversity may result in higher prices of wood and paper as well as imbalances be-tween demand and the supply of biofuels and biomass in the medium to long term.

G1 **Business conduct** (financial important)
North Media is politically engaged and has a great number of supplier relations.

Considerable resources are spent on contributing to a fact-based debate on the value of door drop advertising, its use, how they are produced and the associated CO_2e emissions.

Leaflets is of great value to many households, who can save a lot of money in the private budget by both taking advantage of concrete offers and by the leaflets maintaining price competition. At the same time, the continued publication of local weekly newspapers depends on the existence of the leaflets, as they are distributed together, thus reducing distribution costs for both media.

Informative and minimal factors

Informative

S3 **Affected communities** (not material)
The probability of a local community being materially impacted by North Media's activities is considered as low.

The creation of jobs for young people, older citizens and vulnerable groups in society is viewed as a materially positive impact.

Minimal

E2 **Pollution** (not material)
Neither the activities of North Media, nor of our suppliers or consumers are subject to environmental approval requirements. North Media does not use substances or materials covered by the EU's REACH regulation.

We are aware that there may be pollution related impacts connected with the mining of earth minerals and heavy metals used in the production of the electronics and semiconductors that North Media buys via Bekey.

E3 **Water and marine resources** (not material)
North Media has no particular water-consuming activities or activities that relate to marine resources.

There may be adverse impacts from water consumption in connection with the mining of earth minerals and heavy metals used in the production of the electronics and semi-conductors that North Media buys via Bekey. Likewise with cooling in connection with the operation of data centres in the value chain.

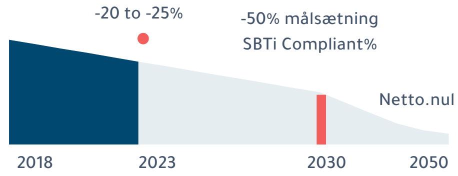
S4 **Consumers** (not material)
Potential information-related impacts on consumers in connection with door drop media are assessed to be non-material for FK Distribution as distributor.

E Environment

Ambitions and results

CO2e reductions

North Media takes the climate crisis seriously and will work actively to reduce CO2 emissions. In this connection, North Media has joined the Science Based Target initiative and has committed to reducing Scope 1, 2 and 3 emissions by 50% (nominally) by 2030 compared to 2018.



Exclusively using renewable electricity

North Media is in the process of an ambitious transformation to ensure that all power in our offices and production halls comes from renewable energy sources by 2030. We are already well on our way with a share of 24% in 2023.

100% climate-friendly transport

North Media has an ambition to achieve 100% climate-friendly transport in the value chain by 2030.

North Media's path towards a greener supply chain

The purchase of goods and services accounts for a significant part of North Media's CO_2e emissions, and a reduction from this is crucial to achieving our ambitious target of a 50% reduction by 2030.

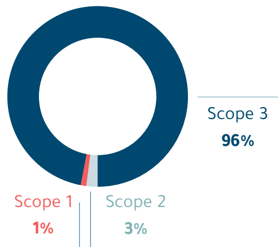
We will therefore start developing a strategy for climate-conscious procurement and during 2024 set the detailed framework as well as define who and how many are covered as well as a timeline for the work.

CO_2e emissions in Scopes 1, 2 and 3

Mapping of Scopes 1, 2 and 3
Based on a mapping of North Media's CO2e emissions for 2023, the total emission have been calculated at 13,801 tonnes. Scope 1 and Scope 2 emissions account for 1% and 3% of total emissions, respectively.

Scope 3 emissions, which account for 96% of total emissions, are divided into the 15 GHG categories on the next page. Based on a materiality assessment, we have chosen to work with Scope 3.1 and 3.2 in relation to climate-conscious procurement and with Scope 3.4, 3.6 and 3.7 in relation to climate-friendly transport. FK Distribution's distribution of leaflets to 2.1m households, many of them in rural areas, accounts for only about 30% of emissions.

The Group's total CO_2e emissions correspond to 14.5 tonnes per DKK 1 million revenue.



From 2018 to 2023

Key actions

- We changed our distribution model between 2020 and 2021 to one weekly distribution instead of two - which reduced the number of kilometres driven and also electricity and resource consumption
- Invested in two large solar power plants and associated batteries

Scope 1
177ton

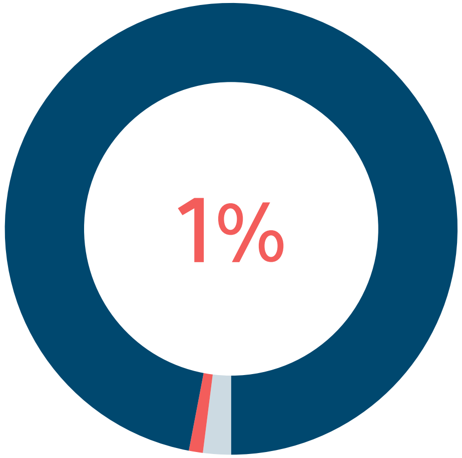
Primary emissions:
- Fuel for own car fleet

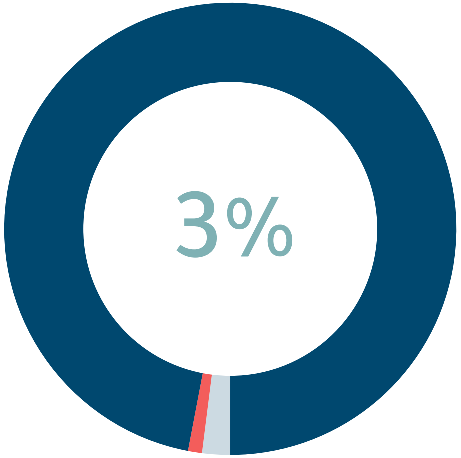
Scope 2
364ton

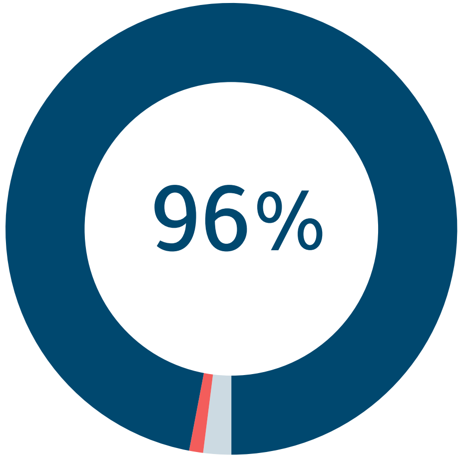
Primary emissions:
- Purchased energy (electricity and heat)

Scope 3
13.259ton

Primary emissions:
- Purchased goods and services
- Transportation and distribution
- Capital goods







Mapping of CO_2 emissions in Scope 3

Below is listed Scope 3 emissions across the 15 GHG categories. From each category, the main causes of CO2e emissions are listed. Total Scope 3 emissions amount to 13.3t tonnes = 13,259 tonnes.

Upstream (emissions associated with producing the product)

For calculation method, see accounting policies, Scope 3 on page 86-87

Category	Emissions	Main causes
1. Purchased goods and services	6,0t ton	IT licences, online marketing, door drop advertising wrappers, consultants, and canteen operation
2. Capital goods	2,1t ton	Components for FK Distribution's packing machines, building maintenance and office electronics
3. Fuel and energy - not Scope 1 or 2	0,3t ton	Indirect emissions from electricity, heating and fuel
4. Transportation and distribution	2,8t ton	Transport of leaflets from packing term. to deliverers' adr., and distribution of leaflets carried out by partners.
5. Waste generated in operations	0,0t ton	Minimum 99%+ of the Group's waste is recycled
6. Business travel	1,1t ton	Mileage allowance, mainly for distribution in rural areas and company-related journeys
7. Employee commuting	0,6t ton	Emissions in connection with employees commuting to and from work
8. Leased assets	0,4t ton	Leased company cars

Downstream (emissions associated with the use after the product is sold)

Category	Emissions	Main causes
9. Transport and distribution	0,0t ton	N/A
10. Processing of sold products	0,0t ton	N/A
11. Use of sold products	0,0t ton	N/A
12. End-of-life treatment of sold products	0,0t ton	Minimum
13. Leased assets	0,0t ton	N/A
14. Franchises	0,0t ton	N/A
15. Investments	0,0t ton	Minimum, invest. in Karman Connect

2023 CO_2e emissions in North Media

Mapping and verifying

In 2023, North Media mapped the Group's carbon footprint for 2022 and 2023.

Preliminary Scope 3 figures for 2018 indicates reductions in the order of 20-25% in 2023.

Scope 3 emissions are mostly calculated according to the cost-based method, but from 2024 will gradually switch to the activity-based method for the most material categories / emission categories.

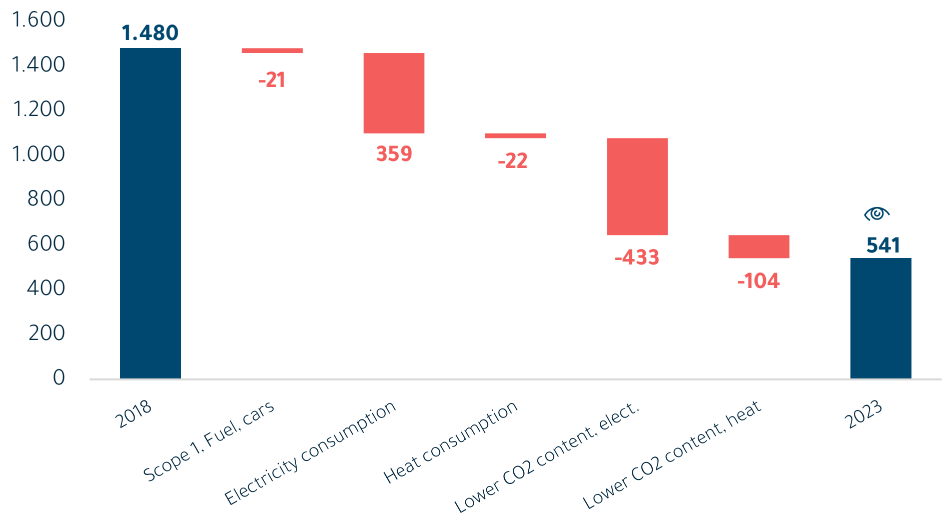
Dialogues are being initiated with the largest suppliers about their emissions and the potential for future reductions.

The transportation of FK Distribution's door drop materials to deliverers and distribution in rural areas in particular accounts for around 30% of the Group's CO2 emissions.

Scopes 1+2 emissions

Scopes 1 and 2 emissions declined by 24% in 2023, partly driven by the solar plant in Taastrup being operational for the entire year compared to five months in 2022 and reduced CO_2 intensity in the grid. The overall Scopes 1 and 2 emissions have been reduced by 63% since 2018, due in part to an 18% reduction in electricity consumptions and because CO2 intensity from the grid as well as from heat production in general has been reduced. Also, our consumption of petrol/diesel (Scope 1) has dropped in step with the transition to hybrid and electric vehicles. Compared with 2018, which is the base year for the Group's CO_2 reduction target, 27% points are attributable to the Group's reduced consumption of electricity in particular, while the remaining 36% points are attributable to reduced emissions from the grid and from production of district heating. The reduced emissions from the production of district heating is mainly attributable to increased combustion of biomass, which in Denmark is considered to be carbon neutral.

Scopes 1 and 2 CO2e emissions, 2018-2023, North Media Group



For calculation method, see accounting policies, Scope 3 on page 86-87

Scope 1+2+3 emissions

Total CO_2e emissions fell from 15.4t tonnes in 2022 to 13.8t tonnes in 2023. The main factor was fewer kilometres driven by both our own deliverers and by our suppliers, who distribute door drop media to depots and households. In addition, our solar power plant added 0.7t tonnes of CO_2 to the accounts in 2022. If we omit the CO_2 emissions from the solar power plant in 2022, emissions fell by 6%.

Computations for Scope 3 CO_2e are made relative to the 2018 base year. Preliminary figures point to CO_2 emissions of 17-19t tonnes. This means CO_2 emissions have been cut by 20-25%. As can be seen on the following pages, additional potential reduction have been identified, and the expectation is that emissions can be cut by a further 30-40% going forward to 2030. The acquisition of SDR will impact the base year, and at present we do not have a complete overview of either current or historical emissions, but we will share experiences with respect to accelerating emission reductions for both companies.

As our suppliers become capable of providing more precise figures for the CO_2e emissions of our purchases, we will change our calculation method to the activity-based method. This will enable actual reductions without necessarily lowering costs.

North Media employs the location-based method to calculate Scope 2 CO_2e emissions. We do not acknowledge that buying guarantees of origin or climate credits (without the requirement of additionality), can reduce CO_2 emissions, as these scheme does not add more green power to the grid but simply makes the power or heat more "fossil based" for everyone else. Only by adding more green power / green heat to the grid, possibly in collaboration with your supplier network, we can achieve real global CO_2 savings.

When in the course of 2024 we become capable of calculating our Scope 3 consumption using the activity-based method per supplier, we will add a factor to those suppliers who purchase green power without additionality.

North Media towards net-zero emissions

Basisyear 2018

In 2023, we have built a strong foundation for data collection of CO_2e consumption for 2022 and 2023 to provide clarity on which initiatives for future reductions should be prioritised.

In 2024, we will calculate emissions for the period 2018-2021.

Key actions in 2018 - 2023

- FK Distribution changed from two to one weekly distribution, resulting in significant emission reductions.
- Invested in solar power plants in Taastrup in 2021 and in Tilst in 2023.
- FK Distribution has continually optimised distribution routes to reduce driving needs.
- Preliminary data show a CO_2e reduction of 20-25% from 2018.

Focus areas 2024 to 2030

- Taking the solar power plant in Tilst and associated batteries into use.
- Engaging and working with suppliers in the transport sector on choosing energy-efficient vehicles.
- Reducing electricity consumption for packing at the Group's two terminals.
- Accelerating the transition to renewable energy.

Acquisition of SDR

The acquisition of SDR affects the Group's nominal emissions

In 2024, SDR emissions will be mapped and bridges will be built to the planned Danish activities.

● Paris Agreement -1,5 degrees SBTI=our ambition ● Our current emissions *) According to the SBTi, net zero is defined as a 90% reduction and a continuing effort to eliminate the remaining 10%.

Initiatives to achieve 2030 targets

A data-driven approach to CO2e emissions is crucial to reducing the Group's CO2e footprint. Understanding what is actually emitting CO2e is key to establishing the correct priority.

We mapped the Group's carbon footprint in 2023. The transport part related to FK Distribution has long been a key factor in achieving the ambition for a 50% reduction of our carbon footprint and currently accounts for about 30% of the Group's total CO2e emissions. Almost 50% of the Group's emissions is attributable to emissions deriving from the procurement of goods and services (GHG category 3.1), particularly IT licenses, online marketing, door drop advertising wrappers, consultants, and running a canteen, while other capital goods, components for FK Distribution's packing machines, building maintenance and office electronics, account for 15%.

This demonstrates that there is considerable potential in "climate-conscious procurement agreements", but it also means that reducing emissions will require the involvement of many suppliers. The extent will be mapped in 2024.

GHG categories 3.1 and 3.2 - other purchases, see page 68

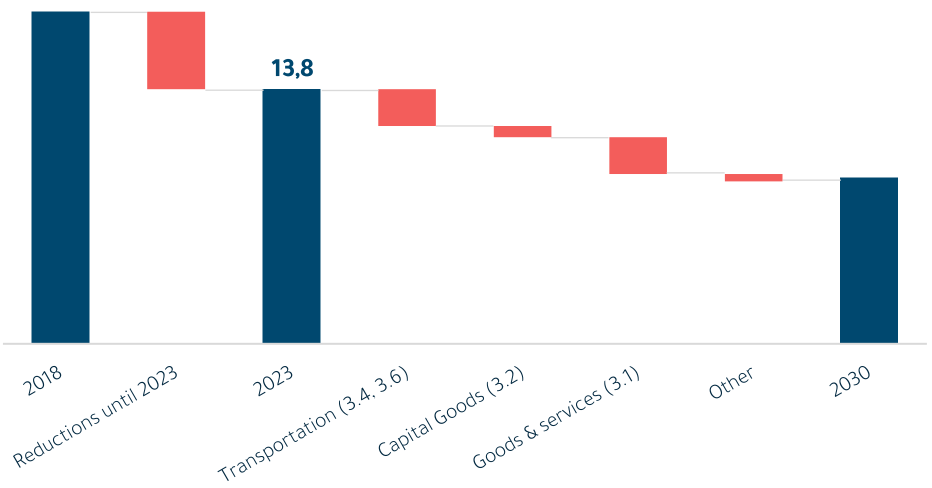
- Focus on climate-conscious procurement, choice of climate-conscious suppliers
- Engaging with suppliers on choosing products with a lower CO2e content despite higher prices
- Possibility of using recycled components
- Frequency of replacing IT equipment

GHG categories 3.4 and 3.6 - transport, see next page

In the table below, we present estimates of the CO2e reduction potential based on the following main areas:

- Further optimisation of distribution routes for the purpose of reducing the number of kilometres driven
- Reductions in truck and van emissions. First of all, by switching to electric vans
- Reductions in workforce emissions in connection with commuting to and from work as well as company-related driving and transport.

Illustration of the development in the CO_2e emissions ('000 tonnes) in North Media A/S and reduction initiatives from 2018 to 2030



Climate-friendly transport throughout the value chain

North Media is a logistics and distribution company, Climate-friendly transport is an essential means for us to reduce our CO2e emissions as planned. Our ambition is to have 100% climate-friendly transport across our value chain by 2030.

Transport in FK Distribution

FK Distribution has an efficient distribution network with more than 75% of door drop media being delivered on foot for the 'last mile' and is therefore CO_2e-free.

FK Distribution has an ambition of creating the world's greenest distribution network together with our suppliers. This is why we engage with suppliers and want to help them secure more climate-friendly transport, both when they distribute door drop media and when they distribute other goods for other customers.

Already today, door drop media are delivered to the Group's many deliverers via planned efficient delivery to depots and other drop-off points that minimise the number of kilometres driven. Over the years, we have reduced the need for motorised transport using this approach.

FK Distribution has four transport-related groups that together account for 30% of the Group's emissions. These are Hauliers, Business partners, Self-employed business owners and business driving done by our own employees, including commuting to and from work.

Distribution of CO_2e emissions from transport as a percent-age of total CO_2e consumption:

Heavy transport + door drop leaflets to deliverers	9%
Business partners	7%
Self-employed business owners	4%
Business driving and commuting to and from work	11%

The Group's procurement of distribution services typically accounts for a small part of a suppliers' turnover, so if we contribute to transforming our driving needs, the real CO_2e benefit will actually be two to three times higher than what we include in our CO_2e accounts.

We will adopt different approaches to the four groups, as the challenges of transitioning to climate-friendly transport and the decision-making process vary considerably across the groups.

We expect to draw up a more tangible action plan for the various groups in the course of 2024 with concrete targets for annual reductions going forward to 2030.

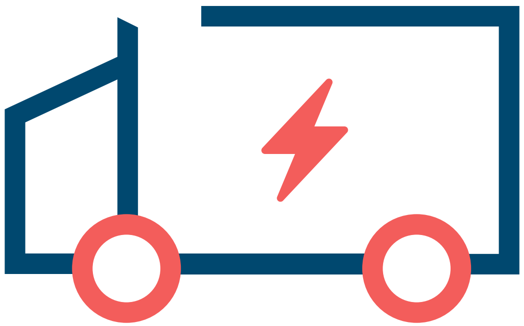
These and other CO_2e reducing measures will be included as part of the Executive Board's variable remuneration for 2025-2027 (see p. 84).

CO2 emissions from transport in '000 tonnes	2023	2022	2021	2020	2018
Heavy transport (3.4)	0.4	0.4	0.5	0.5	0.6
Door drop leaflets to deliverers (3.4)	0.9	1.0	1.1	1.4	1.5
Business partners (3.4)	0.9	0.9	**0.9	**1.0	**1.0
Self-employed business owners (3.4)	0.6	0.6	0.4	0.3	0.6
Business driving (3.6)	0.9	1.1	1.0	1.1	1.7
Commuting to and from work (3.7)	0.6	0.6	*0.6	*0.6	*0.6
Total CO_2e transport emissions	4.3	4.6	4.5	4.9	6.0

* Not possible to obtain historical data.

** Estimate

For calculation method, see accounting policies, Scope 3 on page 86-87



A 100% renewable energy mix

North Media has a goal of using 100% renewable energy by 2030. As an initial step, the Group has invested in two solar power plants, one of which has been operating since summer 2022, while the other is expected to come online in the first half of 2024. The plants will produce around 30% of the Group's electricity consumption, while a further 20% will be sold to the grid.

Share of renewable power is 24%

The table below shows the Group's overall electricity consumption split between renewable and non-renewable energy sources. As a result of the solar power plant in Taastrup being in operation throughout 2023, the renewable share of power consumption has increased from 7% in 2022 to 24% in 2023. The share of renewable power will increase further in 2024 when the solar power plant in Tilst and the batteries will be put in place, and is expected to reach around 40% in 2024.

Combination of solar and battery

Both solar power plants are being configured with each their battery storage facility. The combination of solar and battery provides significant benefits for both North Media and the power grid generally. It facilitates:

1. Storage of surplus solar power for later use when price or CO_2 content is high
2. Being able to purchase surplus power from the grid when it is cheap and thus green
3. The option of making the batteries available for stabilising the power grid (frequency regulation). The batteries are expected to be connected during the summer of 2024.

Renewable power, 1,000 kWh	2024E	2023	2022	2021
Renewable power, own solar cells	900	584	232	0
Renewable power, fed back to the grid*	600	393	37	0
Total renewable power	1,500	977	269	0
Electricity, net kWh from grid	3,000	3,425	3,813	4,069
Total electricity consumption	3,900	4,009	4,045	4,069
Share of renewable electricity*	38%	24%	7%	0%

*Electricity fed back to the grid is included in the share of renewable power

For calculation method, see accounting policies, Scope 2 on page 86-87

The batteries will be recycled when their output is assessed to be too low to be economically and environmentally viable. Their expected lifetime is 15-20 years, and battery output will be monitored on an ongoing basis. On being phased out, the battery materials will be recycled so as to reduce the CO_2e content of future batteries. This will be in compliance with the requirement for a circular economy of the EU Taxonomy, see page 69-73.

Efficient use of solar plant

The establishment of the solar power plants marks the beginning of a series of energy-related reductions and a sustainable transition at the packing terminals. The solar pow-er plants have markedly raised awareness and is one of several initiatives to reduce consumption and emissions. As well as the direct reductions that have already been achieved through the production of power from solar panels, we will explore opportunities for optimal use of any surplus production in the future.

The most obvious options are:

- Redistribution of electricity consumption so it is increased during periods of surplus production from the solar power plants, for example by additional cooling of the server room during periods of sunshine in order to reduce cooling later.
- North Media has begun to replace vehicles in its own fleet with pure electric vehicles (where possible) that can be charged during periods of surplus solar power production.
- The same applies to employees or logistics suppliers using electric vehicles.
- Offers to sell surplus power to businesses in the local area must be investigated, even though there appear to be challenges due to the rules for electricity trading and requirements for taxation.

CO_2e consumption in connection with the installation of solar power plants

Producing the components of the solar power plants results in material CO_2e emissions, including for solar panels, batteries, installation equipment, electrical subcomponents and infrastructure.

Calculating CO_2e consumption during the installation phase has proved challenging. It has not been possible to get figures from the manufacturers, for the solar panels, for ex-ample. We have therefore had to turn to more general studies carried out by Aalborg University and the Fraunhofer Institute on comparable products made in comparable countries of manufacture.

Country of manufacture

The energy mix in the country of manufacture, or preferably at the producer, has a major impact on CO_2e emissions during production of the solar panels in particular. As North Media uses the location-based method to calculate CO_2e emissions, and as solar panels are typically manufactured in countries with a materially higher CO_2e in-tensity than Denmark's, total CO_2e consumption during the installation phase is higher than would be expected.

The production process of the so-called wafers (the energy-producing parts of the solar panel) is particularly energy intensive. We have estimated that a solar panel with an output of 330 Wp, which are the panels installed in Taastrup, emits 280 kg CO_2e (including installation on the ground or on a roof). Adding the inverter and the electrical panels and assuming output of 7,700 kWh during the panel's 25-year lifetime, CO_2 emissions are estimated to be about 42 grams per kWh produced.

CO_2e payback time

North Media commenced the installation of a solar power plant linked to the distribution terminal in Taastrup in 2021. The plant was inaugurated in 2022, and 2023 was the first full calendar year of production. The plant in Tilst and the installation of the batteries are expected to be completed in mid-2024.

The decision to procure the plant was made before the rise in energy prices and the increased focus on security of supply and was the result of a general desire to reduce CO_2e emissions, even though we did not prepare climate accounts at the time.

The CO_2 content of the solar power plant is included in the calculation of North Media's climate accounts as the plant is installed/paid for, while the CO_2e gain in the form of reduced emissions is only included as consumption actually falls and thus lowers emissions in a given year at the emission factor applying at that time. In the short term, the investments have therefore increased the Group's CO2e consumption.

To understand future emissions and how this form of investment affects the Group's CO2e consumption, we believe it is relevant to compute the CO_2e payback time. The table below illustrates the CO2e emissions from the installation as well as the current and expected future savings.

The CO_2 content in Eastern Denmark was computed at 68.1 grams per kWh in 2022, and the preliminary computations for 2023 indicate a level of 55 grams per kWh, according to Energinet's environmental declaration (125% method). To this should be added Scope 3.3 emissions of about 60 grams,

As already mentioned, North Media has computed its CO_2e consumption at 42 grams per kWh produced during the installation's lifetime, based on the expected production during the installation's 25-year lifetime.
Our calculation of the 42 grams does not include the frequency loss on the proportion of the power not consumed immediately, i.e. the part returned to the grid, and this part is not credited directly to North Media's CO_2 accounts. Nor does the computation include the annual CO_2 emissions forming part of regular operations and maintenance.

The total CO_2 emissions from building the two plants have been computed at 1,694 tonnes, and given the potential for reducing our annual consumption of grid power by 1.0-1.1 million kWh, for which we are credited 120-135 grams per kWh, we could potentially save 130 tonnes of CO_2 per year, which at the current CO2 intensity equals 13 years "payback-time".

In addition, Energinet expects the CO_2 content of the grid to continue falling during the period to 2030, which would increase the payback time.

Based on the CO_2e emissions at purchase and the subsequent CO_2e savings by not using electricity from the grid, it is not attractive to invest in solar panels or other CO_2-reducing initiatives to appear a greener company.

We don't have to do anything to get green power, as best illustrated by the fact that the Scope 2 CO_2e content per kWh has fallen from 202 grams of CO_2e per kWh to 105/55 (west/east) grams in 2023, or by more than 50% without any effort from us. Also, green

CO_2, solar powerplants and batteries	2024E	2023	2022	2021
CO_2 emissions/savings in tonnes				
Solar power plant, installation	430	0	621	643
Batteries, installation	306	0	69	0
CO2 savings, own consumption (location)	71	32	16	0

CO_2e savings from reduced power consumption, Scopes 2 and 3.3, based on CO2 intensity of 125g/kWh
With an expected 8,000 cycles for each battery, the CO_2 attrition rate is around 15 grams
Total CO_2e emissions from the solar power plants amount to about 42 gram CO_2e/kWh
For calculation method, see accounting policies, Scope 2 on page 86-87.

Group power consumption	2023	2022	2021	2018
(1,000 kWh)				
Total electricity consumption	4.009	4,033	4,069	5,173
Renewable power, own solar cells	584	232	0	0
Electricity, net kWh from grid	3,425	3,813	4,069	5,173

For calculation method, see accounting policies, Scope 2 on page 86-87.

power now makes up about 80% of the overall production, according to Energinet's environmental declaration (location-based).

However, CO_2 emissions based on Energinet's calculations of the electricity in wall sockets do not reflect the CO_2e consumption from establishing the Danish electricity grid, such as from installing the many new solar farms. In addition, a company's CO_2 accounts are impacted if it invests in installing its own solar panels. This does not seem to make sense, as companies actively wanting to make a difference are punished.

However, it does not change our decision to continue investing in making our company greener. because thereby help make a real difference.

CO_2 consumption in connection with the installation of batteries

As it has not been possible to get data on battery CO_2 emissions from the manufacturer, we have collected data from other sources, mainly from Energimyndigheten, the Swedish Energy Agency. Based on our information, the batteries' CO_2e emissions have a payback time of four years. The total CO_2e emissions are estimated at 374 tonnes, and the batteries are designed to deliver 8,000 cycles (charges and discharges) depending on consumption patterns.

Given an overall battery capacity of 3,424 kWh, that adds up to CO_2e emissions of ap-proximately 15 grams CO_2 per stored (and subsequently consumed) kWh, with an expected effect loss of 10%.

For most days of the year, the difference between the highest and lowest CO2 intensity during the different hours of the day is more than 50-100 grams per kWh. With an attrition rate of 15 grams of CO2, the batteries provide ample opportunity for CO2e reductions. Meanwhile, as there is a high correlation between the price of power and CO2 content (low price = low CO2 content), this also affords a financial gain.

Green servers

During 2024, we will review all internal and external server hosting, to calculate the actual emissions from these. Next step will be to draw up an action plan for the forward-looking reduction.

Electricity consumption

The majority of the Group's electricity is consumed at FK Distribution's packing terminals in Taastrup and Tilst, and power is purchased via the electricity grid. With the investment in solar panel plants and associated batteries, the need for purchasing electricity from the grid will be significantly reduced.

Climate-conscious procurement agreements

Procurement of goods and services accounts for 50% of the Group's CO_2e emissions, while procurement of capital goods adds another 12%. Reducing these percentages is vital for our ambition to achieve a 50% nominal reduction by 2030.

The majority of the Group's CO_2e emissions come from activities such as purchases of computers, real estate and canteen operations, IT subscriptions, licenses and from buying online marketing services from the major international tech companies.

We will establish the framework details for climate-conscious procurement in the course of 2024, including the business volume of suppliers that will be subject to our new requirements for climate-conscious procurement. Our goal is to ensure that suppliers participate in our efforts to reduce CO_2e emissions and together with us secure a more sustainable supply chain as quickly as possible. In 2024, we will start with the largest and most CO_2e intensive suppliers, expecting them to define targets for their own CO_2e reductions.

Potential areas of collaboration

Mutual knowledge-sharing

We are open to exploring ways in which our suppliers can reduce their energy consumption and increase the energy efficiency of the goods and services they offer us. We are happy to share our experiences.

New technologies and climate awareness does not come free

At North Media, we are aware that actual CO_2e reductions requires an effort.

At North Media, we are prepared to pay extra for products produced and procured in a sustainable manner, but only if based on real sustainability initiatives. For that purpose, we will engage with key suppliers and work with them to develop and agree conditions for future reductions. We are prepared to replace existing suppliers that may not be willing to launch necessary initiatives, and we will support those who wish to contribute to a real transition.

Potential areas of collaboration

Energy consumption and efficiency

We wish to contribute to exploring ways in which our suppliers can reduce their energy consumption and increase the energy efficiency of the goods and services they offer us. We are willing to pay extra for products with a lower real carbon foot-print.

Mutual knowledge-sharing

Through dialogue with our suppliers, we want to find common solutions that benefit our shared value chain and the environment. We are happy to share our own experience.

Virtual meetings and communication

Together with our suppliers, we will assess the opportunities for reducing transport.

EU-Taxonomy

Turnover

In this Annual Report 2023, North Media is for the second time reporting on revenue, capital expenditure and operating expenses as re-quired under the EU Taxonomy Regulation. North Media is still in an early stage in its work on climate initiatives and, as the Regulation was also a recent launch, we expect that several of our financial activities will gradually come to comply with the relevant technical screening criteria and thereby be classified as environmentally sustainable.

North Media's economic activities are considered 'eligible' in relation to two of the environmental targets, i.e. the targets:

i. Climate change mitigation, and
iv. Transition to a circular economy

Acquisition of SDR

The acquisition of SDR was completed on 29/12/2023 and must therefore technically be included in North Media's taxonomy, as SDR appears on the balance sheet. However, there was no activity between 29/12/2023 and 31/12/2023, which is why the figures de facto correspond to North Media's revenue, capital expenditure and operating expenses without SDRs.

i.) Climate change mitigation

Of the Group's consolidated turnover of DKK 949.1m, DKK 373.8m (39%) is attributable to the target of climate change mitigation, as that turnover related to distribution on foot. A further DKK 324.7m (35%) is also eligible, but does not at the present time meet the requirements for being aligned.

Following the acquisition of SDR, a greater proportion of the consolidated 2024 turnover will be eligible, but not necessarily aligned. North Media is committed to making a substantial part of turnover that is eligible to become aligned over the coming years.

iv.) Transition to a circular economy

The part of Bekey's turnover that relates directly to the production and sale of electronic components is eligible under the Regulation, but is currently not aligned.

How we avoid "Double counting"

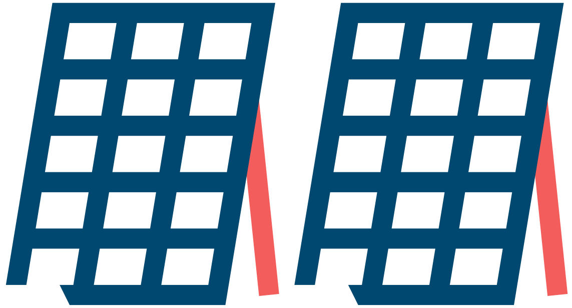
In our work with taxonomy and calculation of revenue, capital expenditure and operating expenses, we have continuously reconciled the figures to the accounts themselves in the individual taxonomy tables.

Taxonomy - Revenue (DKKm)				Substantial contribution						Does not significantly harm (DNSH)									
Economic activities (1)	Code (2)	Turnover 2023 (DKKm) (3)	Proportion of turnover 2023 (%) (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Bio-diversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Bio-diversity (16)	Minimum safeguards (17)	Taxonomy aligned pro-portion of turnover, 2022 (%) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Operation of personal mobility devices, cycle logistics	CCM 6.4	373.8	39%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	n.a.	Y	n.a.	Y	n.a.	n.a.	Y	42%	-	T
Turnover of environmentally sustainable activities (taxonomy-aligned)(A.1)		**373.8**	**39%**	**39%**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**	**n.a.**	**Y**	**n.a.**	**Y**	**n.a.**	**n.a.**	**Y**	**42%**	**-**	**T**
Of which, enabling																			
Of which, transitional																			
A. 2 Taxonomy-eligible but not environmentally sustainable activities																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	314.2	33%	N	N/EL	N/EL	N/EL	N/EL	N/EL								35%		
Freight transport services by road	CCM 6.6	5.6	1%	N	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Manufacture of electrical and electronic equipment	CE 1.2	4.9	1%	N/EL	N/EL	N/EL	N/EL	N	N/EL								-		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**324.7**	**34%**	**34%**													**35%**		
Turnover of taxonomy-eligible activities (A.1 + A.2)		**698.5**	**74%**	**74%**													**77%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy-non-eligible activities (B)		**250.6**	**26%**																
TOTAL (A + B) - SEE PAGE 110		**949.1**	**100%**																

CCM Climate change mitigation
CE Circular economy
Y Yes (taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective)
N No (taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective)
N/EL Not eligible (taxonomy-non-eligible activity for the relevant environmental objective)

Breakdown of taxonomy-aligned turnover

The source of turnover contributing to the numerator of the turnover KPI in 2023 is taxonomy-aligned turnover from the distribution of leaflets, local newspapers and magazines by foot or bicycle.



Capital expenditure (CapEx)

In 2021 and 2022, North Media began to install two solar panel plants at the packing terminals in Taastrup and Tilst and on a grassy areas nearby. The solar panel plants are expected to generate enough electricity to simultaneously cover about 39% of FK Distribution's consumption, while the remaining production is fed back to the grid. No solar panels were capitalised in 2023, but a major investment is expected in 2024.

Total capex investments amount to DKK 16.3m, consisting mainly of the purchase and installation of robots at the end of the packing line. These are instrumental in reducing the subsequent heavy transport as the robots enable more efficient utilisation of the transport cages used to transport door drop media. However, we have not been able to find the activity described in the technical criteria and therefore cannot report them as eligible. Other non-current assets are mainly related to purchases of IT software and hardware considered to be non-eligible.

A part of the Group's noncurrent assets is the IFRS 16 capitalisation of company cars of which DKKm 0.5 are electric cars that should meet the requirements to be taxonomy aligned. However, we have not been able to ensure that the electrical cars actually meet the requirements to be aligned, which is why we in 2023 have reported the investment as eligible, but not aligned.

Taxonomy-aligned CapEx (DKKm)

Economic activities (1)	Code (2)	CapEx 2023 (DKKm) (3)	Proportion of CapEx 2023 (%) (4)	Substantial contribution: Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Bio-diversity (10)	Does not significantly harm (DNSH): Climate change mitigation (11)	Climate change adaptaion (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy aligned proportion of CapEX, 2022 (%) (18)	Category (enabling activity) (19)	Category (transit-ional activity) (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	CCM 4.1	0	0%	0%	-	-	-	-	-	-	-	-	-	-	-	-	33%	-	-
CapEx of environmentally sustainable activities (taxonomy-aligned)(A.1)		**0**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**33%**	**-**	**-**
Of which, enabling																			
Of which, transitional																			
A. 2 Taxonomy-eligible but not environmentally sustainable activities																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.6	0.5	0%	N	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Acquisition and ownership of buildings	CCM 7.7	2.0	1%	N	N/EL	N/EL	N/EL	N/EL	N/EL								-		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**2.5**	**1%**	**1%**													**-**		
CapEx of taxonomy-eligible activities (A.1 + A.2)		**2.5**	**1%**	**1%**													**33%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non-eligible activities (B)		**259.6**	**99%**																
TOTAL (A + B) - SEE PAGE 132		**262.1**	**100%**																

CCM Climate change mitigation
Y Yes (taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective)
N No (taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective)
N/EL Not eligible (taxonomy-non-eligible activity for the relevant environmental objective)

Quantitative breakdown of taxonomy-non-eligible activities

The vast majority related to the acquisition of SDR, and the acquired assets - not part of ordinary operation As part of the ordinary activity 1) investments in robotic arms for our packaging lines (DKKm 6,2) that indirectly reduces the driven kilometers in long haul heavy transportation as the wagons are packed more efficiently. 2) IT equipment.

Operating expenditure (OpEx):
FK Distribution incurred only a minimum of direct maintenance costs in 2023 relating to the solar panel plant and batteries in Taastrup.

There was only limited maintenance on own buildings in 2023, and those were not aligned.

Only a relatively modest share of the Group's costs are comprised by "operating expenses" as defined by the EU Taxonomy Regulations. These involve renovation of buildings, short-term leases as well as repair and maintenance of property, plant and equipment. None of these costs are aligned.

Solar panels at FK Distribution in Taastrup

Taxonomy-aligned OpEx				Substantial contribution						Does not significantly harm (DNSH)									
Economic activities (1)	Code (2)	CapEx 2023 (DKKm) (3)	Proportion of CapEx 2023 (%) (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Bio-diversity (10)	Climate change mitigation (11)	Climate change adaptaion (12)	Water (13)	Pollution (14)	Circular economy (15)	Bio-diversity (16)	Minimum safeguards (17)	Taxonomy aligned proportion of CapEx, 2022 (%) (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned)(A.1)		**0**	**0%**	**0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0%**	**-**	**-**
Of which, enabling																			
Of which, transitional																			
A. 2 Taxonomy-eligible but not environmentally sustainable activities																			
Acquisition and ownership of buildings	CCM 7.7	8.2	32%	N	N/EL	N/EL	N/EL	N/EL	N/EL								34%		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**8.2**	**32%**	**32%**															
OpEx of taxonomy-eligible activities (A.1 + A.2)		**8.2**	**32%**	**32%**													**34%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities (B)		**17.4**	**68%**																
TOTAL (A + B)		**25.6**	**100%**																

CCM Climate change mitigation
Y Yes (taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective)
N No (taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective)
N/EL Not eligible (taxonomy-non-eligible activity for the relevant environmental objective)

Accounting policies

Purpose of the EU Taxonomy:

The purpose of the EU Taxonomy Regulation and the related delegated regulation and the new Annex 2 from 2023 regarding the transition to a circular economy is to determine the Scope and conditions for what can be classified as a sustainable economic activity, including when turnover, a capital expenditure or an operating expenditure can be considered sustainable.

The purpose is to provide businesses, investors and political decisionmakers with common definitions and to make it easier to understand how to invest in sustainable projects and activities.

Criteria for environmental sustainability:

The EU Taxonomy sets out four general criteria for what can be classified as an environmentally sustainable activity:

1. Contribution to the EU's environmental objectives::

For an activity to be "eligible" and "aligned", it must make a significant contribution to at least one of the six environmental objectives:

4. Climate change mitigation
5. Climate change adaptation
6. Protection of water and marine resources
7. Transition to a circular economy
8. Pollution prevention and control
9. Protection and restoration of biodiversity

2. Do No Significant Harm:

The activity must cause no significant harm to any of the other environmental objectives, i.e. it must meet the requirements of the DNSH criteria (Do No Significant Harm).

3. Minimum social safeguards:

The activity must comply with minimum social safeguards.

4. Technical screening criteria:

The activity must be consistent with the technical screening criteria, i.e. it must meet a number of technical requirements to, for example, the maximum emissions of a vehicle. Technical screening criteria will be developed for relevant areas on an ongoing basis.

For an activity to be "eligible", i.e. to be environmentally sustainable, it must satisfy one of the six environmental objectives through a transition, but for the activity to be "aligned", it must make a substantial contribution to a sustainable future, while also meeting the other three criteria.

1. Contribution to the EU's environmental objectives

The various activities of the North Media Group have all been assessed in the context of the six environmental objectives, and the following activities fall within the EU's environmental objectives:

- On-foot delivery of door drop media and newspapers - the "last mile"
- Production of power from solar panels for concurrent use as well as storage of power by way of batteries for subsequent use or sale.
- Sales of Bekey locks

Sustainable turnover

FK Distribution's activities can be grouped into these main elements:

1. Distribution of sets of door drop media, local newspapers, direct mail, etc. from a number of local logistics centres/drop-off points to individual households, i.e. "last mile" distribution
2. transport of door drop media and local newspapers from the packing centres in Taastrup and Tilst to logistics centres/drop-off points around the country
3. Other activities, including digital ser-vices, packing services for business partners, Deutsche Post, and others.

The part of this activity attributable to "last mile" distribution and transport of door drop media (items 1 and 2 above) is classified as "eligible" because it includes the entire transport activity. See [item] 6 of the Regulation. "Last mile" distribution of door drop media, local newspapers, direct mail, etc. can generally be divided into two groups;

- the share distributed on foot, and
- the share distributed using passenger cars and small vans (motorised vehicles).

The difference between the two is mainly based on whether distribution takes place in urban or rural areas.

In urban areas, distribution is typically made on foot and often with a handcart, as this is the most efficient way to deliver to largely all households in a suburban street. In rural areas, households are further apart so delivery requires and/or is most efficient when done using a motorised vehicle.

Based on the type of route and information about the relevant deliverer, turnover can be divided into a share with on-foot delivery and a share with delivery by vehicle as well as a turnover share for which there is insufficient information about delivery on foot or using a motorised vehicle. The latter category with a lack of specific data is classified as non-aligned.

"Eligible and aligned" turnover

The part of FK Distribution's turnover cate-gorised as eligible and aligned mitigates climate challenges in the transport sector, as delivery is done on foot and the primary means of transport is the individual's own physical activity. This interpretation is based on the Regulation and the Commission's draft announcement of 19 December 2022 "on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act establishing technical screen-ings criteria..[..] other environmental objec-tive", which among other things includes the following wording:

"A mail cart may be seen as a similar transport device as a cargo bike (which is explicitly mentioned in the description of the activity) as it:

- Has the primary aim of transporting an item from one point to another, and;
- The propulsion comes solely from the physical activity of the user."

On that background, North Media has classified the turnover from on-foot delivery as both eligible and aligned, because it substantially mitigates climate change, according to the technical screening criteria of the Taxonomy.

Similarly, production of electricity by way of photovoltaic technology complies with the technical screening criteria that are substantial contributors to mitigating climate change, i.e. the environmental objective no. 1 as described above.

"Eligible" not "aligned" turnover
The part of turnover that is "eligible", but not "aligned", derives from distribution on routes served by motorised vehicles (M1 and N1), which do no not meet the technical screening criteria. FK Distribution is working to have this turnover "aligned" as well.

In addition to the "last mile" delivery, transport from the packing centres in Tilst and Taastrup to logistics centres/drop off points around the country is also categorised as "eligible, not aligned", as it currently does not meet the technical screening criteria.

Effective from 2023, a small part of Bekey's turnover relates to activities that can be identified under the fourth objective of the Taxonomy about a transition to a more circular economy. However, the turnover related to these activities do not meet the criteria for being "aligned".

Bekey's turnover directly related to the production and sale of electric components may in the updated version of the Regulation fall under category 4 - "Substantial contribution to the transition to a circular economy". According to the criteria set out on page 32 of the Commission delegated regulation (EU) 2023/2486, the products must have either an EU Ecolabel stamp or make substantial contribution to a circular economy. As this is not the case, this turnover is "Eligible" but not "Aligned".

"Not eligible" turnover
Most of the other group companies' turnover and the rest of FK Distribution's turnover is not considered "eligible" under the EU Taxonomy Regulation, as they are primarily of a digital nature and do not have "mitigation of climate change" as their primary purpose.

2. Do no significant harm (DNSH) to any of the six environmental objectives

It is our assessment that the Group's activities do not cause harm to any of the EU's other environmental objective.

1. Climate change mitigation

The deliverer moved the handcart forward through his or her own physical activity. In addition, the handcarts are pulled on public infrastructure otherwise used by pedestrians (pavement).

The generation of electricity by way of photovoltaic technology and storage of electricity in batteries makes a substantial contribution to the green transition, according to the technical screening criteria and therefore mitigates climate change.

2. Climate change adaptation

In our assessment, the on-foot delivery of door drop media, local newspapers, direct mail, etc. by a deliverer using a handcart, or the installation and operation of the solar panel plant and the batteries does not do significant harm to the climate in relation to temperature, wind, water or solid mass, whether chronic or acute harm.

3. Water and marine resources

Not relevant in relation to the distribution of door drop media or newspapers.

Not relevant as the storage of power is not based on water or marine resources.

4. Circular economy

We comply with the requirements for a circular economy, as we ensure the maintenance of our deliverers' handcarts in accordance with the waste hierarchy. If a handcart is beyond repair, it will be collected and broken down into the relevant waste fractions for a high recycling rate. An employee is responsible for performing this task.

Construction and operation of the solar panel plant is based on highly recyclable equipment and components. In addition, components were mounted in a way that they can easily be dismantled. Consequently, we believe this activity complies with the technical screening criteria.

5. Pollution

Not relevant in the context of the activities carried out.

6. Biodiversity

Not relevant in relation to the distribution of door drop media or newspapers.

Several measures were taken during construction and in the operation of the solar panel plants and the batteries to protect and restore biodiversity close to the solar panel plants. The existing grassy area has been converted to solar panel areas, and meadow flowers were sewn between the solar panels. Existing trees and a small pond were preserved. The batteries are located on existing pavement.

3. Minimum social safeguards

At North Media, we respect and observe international human rights and labour rights as described in the International Bill of Human Rights and in the eight fundamental conventions of the International Labour Organization. We do that by conducting an impact assessment in accordance with the UN's Guiding Principles on Business and Hu-man Rights.

We ensure that our employees have proper wage and working conditions across our organisation, from the young deliverer dis-trib-uting local newspapers and door drop media in their first job to our logistics staff who make sure that the individual households get precisely the leaflets they have selected in the NoAds+ scheme. For additional information, see the section on ESRS S1 om pp. 89-101.

S Social

Ambitions and results

First experience of the labour market

As one of Denmark's largest workplaces for young people, we are aware of our great social responsibility. We provide our young deliverers with a good and professional introduction to their first job, and a safe and secure training within the rules and regulations of the Danish Working Environment Authority.

We want to be an attractive workplace. Therefore, we work actively with initiatives such as gamification, point system, and experience allowance to retain the young people in the delivery job.

The right attitude creates development

At North Media, whoever can, wants and does is also allowed - that is a fundamental value with us. Therefore, we focus on employing talented young people with the right will and attitude.

More than 86% of our employees experience having a meaningful job with exciting challenges that develop the individual. It helps to increase job satisfaction.

A diverse workplace with room for the individual

At North Media, it is attitude, experience and competencies that are important to succeed. We treat our employees fairly and uniformly - and through our natural focus on diversity in management systems, ensure a broad-based employee composition. There is room for the individual with us, and 95.4% of our employees experience that they are respected for who they are.

Also we take responsibility for the workforce in our value chain

At North Media, we take responsibility for workforces in the value chain and do not allow underpayment or poor working conditions.

In 2024, we will develop a common Code of Conduct based on our values of fair and uniform treatment.

First experience of the labour market

We assume a huge social responsibility when we give young people their first experience of the labour market. We are very aware of our responsibility to ensure our young deliverers have a safe and secure introduction to their working life

A safe and secure start

Respect and responsibility

When a young person applies for a delivery job at FK Distribution, we consider the young person a future colleague and employee. They should understand that we have requirements and that they are committing to doing a real job. We treat our young deliverers just like our other employees. They become part of our company. That means they have to attend a job interview, sign a contract and are given decent working conditions, just like any other employee. Important to us is also ensuring a professional process for the young person who does not get hired. Being called to an interview and/or being rejected - regardless of the reason - should be a positive learning experience. This requires the training of our many delivery supervisors and regular reviews of our internal work procedures.

Safety and onboarding

Going to work should be safe for our deliverers. At North Media we actively work to create a safe work environment for all our delivery workers.

We regularly assess whether we can introduce new measures to prevent and reduce work-related accidents. All deliverers undergo a thorough introduction to the work and to health and safety prior to their first delivery round. Correct working posture when lifting or twisting and the safe use of bicycle and trailer are part of the training. To ensure a good start to the job, we have a talk about the job with the young person before their first delivery round as well as after the first and fourth round. We always conduct a workplace assessment (WPA) after the first three months of employment. Feedback from our deliverers is collated in the WPA results, which we analyse for the purpose of constantly improving our internal processes.

Young deliverers are exposed to roads and traffic when doing their rounds. For that reason, deliverers are also instructed in road safety before their first delivery round. They are instructed in using their safety equipment on the route, for example in the form of a high visibility vest.

We constantly work to prevent and reduce the number of work-related accidents. We do this through training and follow-up, both as part of the introduction and in connection with the ongoing employment.

In 2023, a total of 11 work-related accidents were reported among our delivery workers. That is almost a 50 per cent reduction from 2022, when the number was 20. Work-related accidents among our deliverers typically involve minor injuries like falls and sprains while delivering. Just two of the reported work-related accidents in 2023 where at the time of reporting assessed by the deliverer to have a duration of more than 14 days, and were not assessed to cause permanent injury. The other work-related accidents were all assessed to have a duration of less than six days.

An attractive job for young people

North Media aims to be an attractive workplace - also for young people. We therefore actively strive to retain our young deliverers in their jobs.

We want to retain and motivate them. Not only with a good job, but also through attractive benefits. That is why we have a points system whereby young delivery workers regularly earn points in addition to their wages for delivering. For example, they are rewarded with points when they go the extra mile. Deliverers can spend these points in our gift shop.

We have seniority supplements for our young deliverers. The seniority supplement is earned as the experience of the deliverer grows and is paid to reward loyal deliverers who persevere and whose quality of delivery is good and stable.

North Media aims to increase retention rates for young deliverers through these initiatives.

Number of reported work-related accidents	2023	2022	2021
Deliverers			
Reported *)	11	20	18
Of which falls or sprains	6	14	9

* As an employer, we are not informed about whether the reported work-related accidents are recognised by Labour Market Insurance (AES).

For a definition of work-related accidents, please refer to accounting policy, Social - page 88

The right attitude creates development. Development increases job satisfaction

At North Media, our employees' attitude and competencies are what determine success and development.

Those who can, will and do, have the freedom to grow!
We attach great importance to the right drive and attitude when looking for new employees. We are therefore happy to employ young and newly graduated people with the right attitude while we assume responsibility for developing their competencies and skills. In 2023, around 25% of our employees were less than 30 years old.

Throughout the North Media Group, we focus on recruiting young people and providing them with the opportunity to develop and acquire new skills. We offer students a relevant and stimulating student job or an internship during their time at college, while we also regularly take on office trainees. We provide our trainees with an all-round education where they gain the necessary skills to pursue a career - preferably with us. We have had great success over many years with offering our hourly paid students and trainees permanent employment and a career with us after they have completed their education. Our ambition is to be able to offer permanent employment to at least 75% of our trainees when they complete their training programme with us.

North Media focuses on recognising employees with the right attitude, knowledge and drive by offering opportunities for career development and internal mobility within the Group. We pay particular attention to developing those employees who are keen to make a difference and who want to seek influence in their job. We therefore work with established development plans where we and our employees enter into agreements on specific development programmes. In 2023, 9.2% of our employees were given a new area of responsibility or a new position within the Group, an increase of 2 percentage points compared to 2022.

All our employees having the opportunity for competency development is a priority at North Media. We therefore work with several approaches, such as digital courses, cross-disciplinary experience exchange groups, and internal and external training. In 2024, we will be testing digital classrooms, where our employees can enrol for relevant training via a digital platform. We follow up on the area annually by measuring the proportion of employees who are satisfied with the opportunities for development in their current job. In 2023, 74.7% were satisfied with their development opportunities.

North Media is a workplace were exciting challenges, development and job satisfaction go hand in hand.

Going to work should be a pleasure and a challenge!
At North Media, we aim to offer our workforce exciting and challenging work assignments. Our view is that the right amount of professional challenges creates high levels of job satisfaction. We therefore actively strive to offer our employees challenges that develop them individually.

We measure this every year through our job satisfaction survey, where 79.6% of respondents were of the opinion that they had interesting work assignments in 2023. Moreover, 84% of our employees stated they had a high degree of job satisfaction in 2023.

IT development that makes a difference
We work actively to attract and retain talented IT specialists, as having IT development inhouse increases cohesion and strengthens our digital businesses, in our view.

We therefore strive to offer attractive IT jobs with opportunities to grow and develop. At North Media, every IT specialist together with their competent colleagues gets the chance to work with the latest technologies and digital platforms that make a difference to the day-to-day lives of many Danes.

In 2023, we successfully attracted and hired 23 IT specialists. Our companies' business strategies, which focus on the development of data-driven digital SaaS platforms, mean we have ambitions to continue attracting and recruiting our own IT specialists in 2024.

Meaningful work
Our products and services make a difference for a lot of people - for the individual consumer, for job seekers and for many young people. In our opinion, the feeling of having meaningful work increases job satisfaction among our employees. Every year in our job satisfaction survey, we measure the share of employees who find their job meaningful. In 2023, some 86.1% of our employees assessed their job to be meaningful.

A diverse workplace with room for the individual

North Media considers diversity in our workforce and management to be a natural element that contributes to an engaging and development-oriented workplace.

We endeavour to have a diverse mix of employees and management, with equal opportunity for all regard-less of gender, age or background.

The best candidate for the job

We do not consider age, gender or background either when we recruit or in our day-to-day work. Attitude, experience and competencies are what determine whether you will be hired and experience success in your job at North Media.

The purpose of our diversity policy is to ensure equal opportunities for all our employees. We endeavour to ensure that all employees at the North Media Group are treated fairly and equally, so competencies, qualifications, attitudes and experience form the basis for assessment both when we recruit and in the employee's ongoing employment and development with us. We believe this is a fair way to treat our employees, just as we believe that such a selection process results in a diverse mix of employees.

Our work to attract and retain a broad mix of employees across age, gender and backgrounds is a natural part of our management processes and of the work of our HR function. With respect to age composition, 27% of all employees in North Media were over 50 years old in 2023 and 25% were under 30. With regard to gender distribution, 43% of all employees in North Media were women in 2023.

	2023	2022	2021	2020	2019
Age distribution					
More than 50 years old	25%	26%	26%	23%	22%
30-49 years	50%	47%	46%	49%	54%
Under 30 years old	25%	27%	28%	28%	24%
Gender distribution					
Women	43%	42%	41%	42%	44%
Men	57%	58%	59%	58%	56%

For a definition of age and gender, please refer to accounting policy, Social - page 88

The table below illustrates that age and gender diversity have been increasing over the past five years.

Gender pay gap

Salaries and conditions at North Media reflect our workforce's competencies, experience, responsibilities and seniority. We view fair pay as our employees receiving equal wages for equal work. That is why we work with fixed criteria based on the above factors for determining starting salaries across our companies in the North Media Group.

We recognise the importance of actively opposing pay discrimination, including pay differences due solely to gender. In 2023, our gender pay gap is 25%. This pay gap do not reflect the many different types of jobs across North Media companies. Some specialist jobs mainly attracts one particular gender, such as IT developers, BI specialists and other digital specialists.

Based on the reported gender pay gap, which can be explained, a detailed analysis of salary levels in the Group will never the les be conducted with particular emphasis on identifying any gender differences in comparable jobs. Should the analysis identify gender pay gaps that cannot be explained by competencies, responsibilities, experience or seniority, we will ensure that the pay gap is mitigated.

Room for the individual

North Media is a workplace with integrity, and it is vital that our employees experience an inclusive work environment where there is room for the individual. Respect for the individual and being treated fairly combined with opportunities for development affect the well-being of our employees and thus whether they wish to work for us for many years. We therefore conduct an annual survey to ascertain if employees experience being respected for who they are. In 2023, some 95.4% of the workforce responded that they believe they are respected for who they are.

Work-life balance

Our view is that a good work-life balance creates engaged and active employees, and so contributes to a high degree of well-being at the workplace.

A good work-life balance affects employee retention rates. We therefore conduct an annual investigation of our employees' perception of this balance in our job satisfaction survey. 87.4% of the workforce replied that they were satisfied with their work-life balance in 2023.

At North Media, success is not achieved by working many hours or by not taking holidays. Ensuring that our employees experience a good work-life balance is therefore an ongoing focus area for our staff managers, just as we regularly follow up to make sure our employees take the holidays they are entitled to.

We continually work with the area both in HR and among our staff managers. Our general approach is that we should be aware, support and help our employees to prevent a situation perceived as involving too great a workload progressing to an absence due to stress. In 2024, we are therefore launching new initiatives to train our staff managers in preventing and handling stress in the workplace.

At North Media, we believe that being treated fairly based on attitude and competencies, a good work-life balance, exciting challenges and good opportunities for development all create a high level of job satisfaction among our workforce, which increases retention rates. This is reflected, for example, in the seniority of our employees, which across all companies and job categories was 7.7 years in 2023. We are proud that our employees want to work here at North Media for many years. We applaud seniority and view work anniversaries as days to celebrate.

A responsibility for the workforce, also in the value chain

We are committed to requiring decent working conditions for workforces throughout the value chain, also with respect to subcontractors and their employees or suppliers. We have for many years been placing requirements on our subcontractors when entering into contracts but have not had a uniform Code of conduct. In 2024, we will prepare an actual Code of conduct for supply chains that builds on our values and experience, and is based on the following principles:

- Zero tolerance policy towards under-payment and poor working conditions at subcontractors.
- Requirements for subcontractors to pay their employees a fair wage in accordance with the prevailing legislation.
- That subcontractors refrain from all forms of discrimination. No-one should be worse off because of their age, gender or background.
- That subcontractors offer their workforce decent working conditions, including health and safety provisions, breaks and statutory insurance coverage.
- That subcontractors respect the rights of their workforce, including the right to organise in labour unions and employee organisations, the right to freedom of association, and the right to negotiate pay and working conditions.
- That subcontractors observe ordinary ethical business operations, including paying correct tax, VAT or other duties and submitting their financial statements on time.
- That we have specific requirements for subcontractors who work with the delivery of newspapers and printed advertising for FK Distribution
  - That they provide a good introduction to working life and ensure a thorough induction into the job content and health and safety at work as well as regularly engaging in dialogue and following up on these matters.
  - That they have a particular focus on ensuring decent working conditions for their young delivery personnel, including that the Danish Working Environment Authority's rules for working hours and health and safety are complied with.

Higher risk subcontractors

We recognise that among the group of hauliers and smaller business owners who often recruit employees with a non-Western background there is a potential risk that these employees are not offered the same conditions as Danish employees.

In 2024, in our supply chain Code of conduct, we will ensure there is a particular requirement for protecting this vulnerable group. See more in our social responsibility section on supplies, page 81.

Initiatives in 2024: CSDDD and UN Sustainable Development Goals

In connection with the new Code of conduct for supply chains, the upcoming Corporate Sustainability Due Diligence Directive (CSDDD) and the updating of our procurement policies, we will ensure that our work and controls are designed to support the following Sustainable Development Goals:

- Goal 1: Eliminate poverty: By requiring decent working conditions for the workforces of our subcontractors, we are contributing to fighting poverty, reducing inequality, and promoting decent work and economic growth.
- Goal 8: Decent work and sustainable growth, full and productive employment for all: By tack-ling the exploitation of employees and promoting fair working conditions we contribute to achieving decent work and sustainable growth for everyone.

Human rights

Due diligence in North Media

We have conducted an a human rights impact assessment of own workforces s. The analysis identifies positive and negative effects on human rights, and is based on the UN Guiding principle and the OECD Guidelines for Multinational Enterprises, and covers all 48 universal and fundamental human rights.

Results:

Based on the impact assessment, we have identified potential impacts on 15 human and labour rights. The materiality of the impact on own employees has then been assessed in the double materiality analysis based on how severe it is, the number of people potentially affected and how easy they are to mitigate. Furthermore, the likelihood of the impact has been assessed. Based on the materiality assessment, impacts on 4 of the 15 human and labour rights were assessed as significant on the basis of the above criteria, which is why these are prioritised for reporting

G Governance - Management data

Ambitions and results

Codes of conduct (Supply chains, political activity and whistleblower)

North Media's work with Codes of conduct for supply chains, political activity and the whistleblower scheme describe our values, principles and expectations for our conduct as a company and as employees. Our three Codes of conduct apply to all members of the Board of Directors, employees, partners, suppliers and others who act on the behalf of us.

North Media engages in lobbying and political activity in a responsible and transparent manner. We respect democracy and freedom of speech and contribute to the public debate by providing facts, analyses and opinions.

Sustainable investments - taxonomy eligible

Our goal is that all investments of DKK 10 million or more should be classified as sustainable investments in accordance with the EU's taxonomy regulation. If an investment is made in an economic activity that does not yet meet all the technical criteria and minimum guarantees that the taxonomy sets forth, a plan must be drawn up within six months for how the investment can become taxonomy aligned.

Responsible tax

The payment of tax is an important aspect of corporate social responsibility. North Media is transparent about its tax policy and practices as well as its tax footprint.

The "Fair Tax Foundation" has conducted a third-party assessment of these matters and North Media has been Fair Tax accredited in 2023.

Executive Board remuneration and correlation with ESG goals

The current bonus programme for the Executive Board is based on the Group's financial results and expires at year-end 2024.

A new bonus programme will include a series of ESG-related targets, with climate components making up at least 10%.

Diversity

At North Media, we consider diversity an important element in ensuring an engaging and stimulating work environment. We firmly believe that equal opportunities and diversity are essential for success.

Therefore, in 2024 we will continue to work to ensure that everyone, regardless of gender, age and background, has equal opportunities to be employed and promoted in the company. We will also work to have a more diverse board.

Social responsibility - Codes of conduct

North Media's business model as per s.99a of the Danish Financial Statements Act and public benefit purpose
North Media is a listed company whose principal activity is to deliver platforms and channels for communication between businesses and consumers.

We are in contact with the majority of Danish households every week and function as the connecting link when businesses want to promote special offers, rental apartments, jobs or bank loans to consumers, just as we also facilitate digital access to locked apartment buildings and private homes for distribution companies and home care services. In short, we deliver customers to our customers and run an ethical business built on trust with the focus on enhancing our positive footprint in society. A more precise description of the business models for the Group's companies appears in the descriptions of each company, page 13-34.

North Media's business units are managed and driven according to strong values that form the core of the Company's policies, rules and business procedures. The Group considers corporate social responsibility an integral part of the different business units' strategies and day-to-day operations.

One of North Media's basic principles is to demonstrate responsibility to society in general, and to customers, suppliers and business partners as well as to our own workforce. We also endeavour to demonstrate fairness and loyalty in all decisions and we expect the same of our business partners.

We already comply with the EU Commission's proposal for maximum payment terms, as we do not require longer payment deadlines from our suppliers than 30 days.

Our double materiality assessment identified "Business conduct" as important for North Media given our supplier relations, political interests in maintaining the "NoAds" scheme, for example, and our general reputational risk which is handled through the whistle-blower scheme.

Our corporate social responsibility policy is available at https://www.northmedia.dk/governance, and serves as a constant guide to our work on corporate social responsibility, climate and the environment, sustainability, and so on.

We elaborate on the Group's specific efforts, results and targets in each of the individual ESG sections, including climate policy, human rights and risk management.

Supply chains

As described under the section Social, page 78, a significant share of North Media's activities, including distribution and delivery of door drop media, is carried out by subcontractors who recruit and train their own workforces. North Media has identified a reputational risk here, in that the consumers' experience of our product - the on-time delivery of printed materials to their mailboxes - is dependent on their experience with the respective sub-contractor/deliverer.

The Group's business model and the countries where we operate are assessed to constitute a low risk in terms of corruption and bribery in 2023. Moreover, we have not observed corruption or bribery. We have therefore not initiated an external review of our processes.

In 2024, we will be working with the new Corporate Sustainability Due Diligence Directive (CSDDD) and updating our procurement policies to comply with the new requirements to identify, prevent and manage adverse impacts on people, society and the environment. North Media's suppliers are therefore expected to meet a number of minimum requirements with respect to CSRD and CSDDD, including:

- Respecting human rights and labour rights
- Combating corruption, bribery and money laundering
- Protecting the environment and climate, including having specific targets for CO2 reductions.
- Promoting health and safety
- Respecting the right to a private life and data protection
- Preventing discrimination and harassment
- Complying with competition legislation
- Protecting assets and intellectual property rights

Focus in 2024 will be on both the largest suppliers and/or those considered high risk.

In 2024, North Media will offer training and guidance to relevant employees in our three Codes of conduct and related policies - including training in anti-corruption and bribery - on an equal footing with IT and cybersecurity. Moreover, everyone will be urged to report any violations of the Codes of conduct or suspicions hereof through the whistleblower scheme. This also applies to suspicions of unlawful tax violations.

In 2024, we aim to ensure consistency between our requirements for decent working conditions and our training materials.

North Media's current and future procurement policies state that products and services should to the extent possible be purchased from Denmark and other democratic countries, regardless of whether that incurs additional costs.

The updated procurement policy will also include stricter sustainability requirements for our suppliers.

Our procurement principles were, for example, decisive for our choice of suppliers when purchasing solar panels and batteries for the solar plants in Taastrup and Tilst.

Our checks and controls in connection with establishing new supplier contracts with self-employed business owners and drivers include a review of the documentation for VAT registration at the Danish Tax Agency (SKAT) and collecting copies of work permits as well as providing an ID card. The ID card has to be worn visibly when collecting advertising materials from our terminals and depots, and random checks are made of the self-employed business owners. Checks in 2024 will be expanded to include all types of subcontractors.

We will structure the documentation and supervision of the checks made so we can assess the extent and quality of our checks and controls.

Political activity

Over the years, North Media has openly engaged in lobbying and political activities with respect for democracy and freedom of speech, and we are keen to actively take part in the public debate with facts, analyses and opinions. We do not influence political decisions through illegal or unethical means, and we report on our lobbying activity as required by the legislation.

Through our political work, we endeavour to objectively ensure that policymakers make decisions that are well-informed. This has most recently been reflected in the decision to maintain the "NoAds" scheme for door drop media, which has existed in Denmark for the past 35 years. Presenting the facts and engaging with relevant decisionmakers has ensured that the retail trade's most important marketing channel, the promotional leaflet, can continue to be delivered to all households that have not actively opted out. The promotional leaflet is an important and financially efficient tool for retailers to create traffic to their stores, and crucial for High Streets outside the major urban centres. Moreover, promotional leaflets directly contribute to maintaining the existence of local weekly newspapers through joint distribution that ensures favourable prices for both media.

We contribute to influencing political decisions in a way that reflects our core values and the interests of our industry and retailers.

- We actively engage in dialogue and collaboration with relevant political actors, organisations and authorities.
- We inform and advise on the challenges and opportunities we encounter in our day-to-day operations and in our future visions.
- We promote solutions that can ensure a sustainable, efficient and competitive transport sector in Denmark and in Europe.
- We respect the political processes and the rules of democracy.
- We are open about our opinions and interests and avoid all forms of misrepresentation or manipulation.

Whistleblower scheme

The whistleblower scheme provides our own workforce, business partners and others the opportunity to report illegalities or other serious misconduct that may harm our companies, customers, suppliers or society. That includes factors that may influence any form of tax avoidance, be that general breaches of the Group's tax policy, tax evasion, employee tax fraud or violations among the Group's suppliers.

The scheme is based on the Whistleblower Protection Act, which protects all whistleblowers from retaliation or other negative consequences as a result of their reporting. The scheme also guarantees the confidentiality of the identity of the person reporting and any persons involved in the case.

Reports to the scheme can be made via a digital platform. All reports are handled professionally by the law firm Horten Advokatpartnerselskab, which investigates the case and takes the necessary steps to resolve it and to involve relevant parties at North Media. The whistleblower will be regularly updated on the status and results of the case, unless the whistleblower is anonymous.

The whistleblower scheme is an important tool for upholding North Media's ethical standards and values. Everyone is urged to use the scheme if they have knowledge or suspicions of serious illegalities or other serious misconduct that may harm the company or its stakeholders. The scheme is a supplement to normal communication channels, and can be used in special circumstances where the whistleblower does not feel comfortable with approaching their manager or another relevant individual.

North Media respects and appreciates whistleblowers, who display courage and responsibility by using the scheme, and does not tolerate any form of reprisal or harassment of the whistleblower. North Media will sanction anyone who attempts to hinder or influence the functioning of the scheme.

In 2023, North Media received one whistleblower report that did not occasion further action. Likewise, there was one whistleblower report in 2022 that did not give rise to further action.

Work on data ethics, section 99d of the Danish Financial Statements Act

North Media constantly works to provide the best possible protection of customers' and consumers' data. We therefore work with data ethics principles, which build on top of the general legal requirements that apply to the protection of personal data, and which set the framework for North Media's use and storage of all types of data. It is thus important for North Media that customers, suppliers, business partners, investors, employees and others can feel secure in the way North Media processes data, and have confidence that North Media processes data safely and responsibly.

The policy is available at: https://www.north-media.dk/governance/.

North Media's compliance function monitors and ensures compliance with GDPR and data ethics regulations and regularly updates the Board of Directors.

GDPR and IT security training continued in 2023 for full-time staff. These efforts are part of our work and objective of constantly protecting data relating to our customers and to consumers.

Sustainable investments – taxonomy eligible

New projects are taxonomy eligible or taxonomy aligned
The North Media Group joined the Science Based Targets initiative in 2023 and has committed to reducing Scopes 1, 2 and 3 emissions by a nominal 50% before the end of 2030.

This places demands on the existing businesses to transition and means that investments in new business areas will be subject to the same requirements for CO2 emission reductions as existing businesses

Hence, it is crucial that new investments either already meet the requirements to be taxonomy aligned or by transitioning and ambitious efforts can progress from eligibility to alignment.

It has therefore been decided that investments of DKK 10 million or more must be made in compliance with the EU's taxonomy regulation for sustainability.

North Media's acquisition of SDR in 2023 meets the requirements for being taxonomy eligible. A large share of revenues relates to distribution to end-users and is carried out on foot, which is in accordance with the criteria for taxonomy-aligned transport. Moreover, a number of environmental synergies with FK Distribution have been identified, which means that part of the revenue that in both countries would be classified as eligible can be aligned in the coming years.

FK Distribution's remodelling of the packing lines whereby printed matter is filled into transport cages, is another modest investment that that meet the requirements to reduce the need for transport, but we have not been able to find the activity described in the technical criteria and therefore cannot report them as eligible. The conversion of the packing line means that the printed matter can be packed more efficiently in the transport cages, and thereby reduce the number of kilometres driven when printed matter has to be transported to the various routes.

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Environmental sustainability - taxonomy eligible

An environmentally sustainable activity has to materially contribute to at least one of the six environmental goals, such as climate change mitigation, circular economy or biodiversity. In addition, the EU has defined a series of technical minimum criteria to ensure true compliance with the environmental goals, including limits for CO_2 emissions and energy efficiency.

If an activity meets the requirements, companies can report it as taxonomy eligible and taxonomy aligned.

74% of the Group's revenue is covered by the EU's sustainability classification, of which 39% is classified as sustainable, i.e. taxonomy aligned.

The Group's ambition is that future investments should be taxonomy eligible and be capable of becoming taxonomy aligned over a period of 3-5 years.

Responsible tax

Responsible tax

North Media plays a significant role in Danish society, with the Group's activities contributing to the employment, integration and training of a large number of young people who choose a delivery position with FK Distribution as their first job. In addition, the Group contributes as a payer of direct and indirect taxes and duties.

"Integrity" is a key word - also with respect to the Group's tax policy. It means that North Media will always pay its taxes in accordance with the prevailing tax legislation. North Media does not undertake tax planning and does not tolerate any form of tax evasion or aggressive tax planning.

North Media has no activities and has no desire to participate in activities in tax havens. Part of the Group's surplus liquidity is placed in shares in Danish and international companies. It is not possible to determine whether some of these companies pursue an aggressive tax policy and in this way illegally reduce their tax payments.

North Media has aligned with the "Fair Tax Foundation" - an independent organisation that offers accreditation to companies that pay tax in those countries where they have activities and who pursue an open and transparent tax policy. The accreditation is obtained on the basis of a set of criteria that companies must comply with to obtain the Fair Tax accreditation for responsible tax conduct. The principles of the Fair Tax accreditation align with the previous and now updated tax policy.

Further to this, the Board of Directors has appointed board member Ann-Sofie Østberg Bjergby to be responsible for ensuring the policy is followed both formally and in reality.

Aligning with the Fair Tax accreditation has prompted a number of clarifications to the Group's tax policy, and the notes have been expanded. None of the changes have any practical significance and there were no breaches of the tax policy in 2023, or previously. See tax policy at https://www.northmedia.dk/governance/.

Country-by-country tax payments

North Media has decided to produce a country-by-country statement of the Group's tax payments, even though activity levels in our Swedish company were very modest in 2023. The acquisition of SDR will be included from 2024 onwards and thus significantly increase our level of international activities.

Fair Tax accredited

The country-by-country statement shows that North Media naturally enough paid by far the larger amount of tax in Denmark, calculated at 99.2%, which also aligns well with more than 99% of the Group's employees working here.

Note 12 provides a full reconciliation between the individual elements in the income statement and associated taxes, including paid tax by country, while note 19 and 20 shows the connection between taxes due, and deferred taxes.

Tax payment

North Media's consolidated profit for 2023 resulted in calculated tax payable of DKK 75.7m, and tax in associated of 0.7m. Current tax is lower due to a tax loss transferred from 2022 that was the result of a major negative return on securities holdings in 2022.

In 2023, North Media contributed a total of DKK 336,3 million to Danish and Swedish society, of which DKK 142 million was from VAT etc., while the Group's 399 employees and roughly 10,000 deliverers paid around DKK 116 million in personal income tax on the wages they earned through their job at North Media.

The North Media Group has paid almost DKK 1 billion in direct and indirect taxes in the past 3 years. The profit accumulated over the same period amounted to DKK 540 million.

When distributing profit to shareholders, recipients are taxed on their dividends in accordance with the applicable tax rules as determined by their country of residence, whether the shares are held personally, through a company or a pension scheme, and so on.

Total tax contribution, 2023 (DKKm)	Total 2023	Denmark	Sweden
Net profit for the year	264.4	264.2	0.2
Corporation tax including tax in associated	76.4	76,4	0.0
Value added tax	142.1	140,0	2.1
Employee income tax	115,5	114,8	0.7
Property tax	2.3	2.3	0.0
Total tax	336.3	333.5	2.8
Payroll costs, ct. note 6	402.1	400.5	1.6
No. of employees (FTE)	399	396	3
No. of deliverers (FTE)	711	711	-

For further elaboration, refer to note 12 in the audited accounts

Executive Board remuneration and correlation with ESG goals

Remuneration of Executive Board members

The Executive Board members' remuneration is presented in a separate remuneration report that adheres to the principles of the approved remuneration policy.

The starting point for the Executive Board members' remuneration is to provide a competitive cash base salary supplemented with a pension and the usual work equipment.

Additionally, a variable cash bonus amounting to at most 50% of the base salary may be granted, as well as share options or other share-based instruments from time to time up to a maximum value of 50% of the base salary at the date of granting.

The remuneration report can be seen here: https://www.northmedia.dk/en/vederlagsrapport/.

The variable bonus is based on objectively measurable criteria and the bonus programmes are generally agreed for a period of three years.

ESG metrics in the remuneration of the Executive Board

North Media's current bonus programme applies for the period 2022-2024 and was determined at the start of 2022. As the Group's ESG targets were not sufficiently quantitative at that point, there was no foundation for determining objective KPIs for a variable remuneration.

However, given the decision to work strategically with ESG, publishing the Group's first CO_2 accounts, for 2023, and our ambitions of future reductions, integrating ESG elements into the coming bonus scheme that is expected to apply for the period 2025-2027 is a natural next step.

The Scope and criteria have not yet been determined, but the expectation is that a KPI will be linked to elements of the Group's ambition to halve CO_2 emissions (Scopes 1, 2 and 3) by 2030, including milestones being achieved along the way. The expectation is that at least 10% of the overall bonus will relate to CO2e reductions.

Other potential ESG goals will be selected based on the completed double materiality assessment, and the goals should as far as possible be objectively measurable and aligned with information and metrics that appear in the consolidated financial statements.

	2023	2022	2021	2020	2019
Nominal figures					
Highest paid member of the Executive Board	4,741	3,901	4,500	4,655	4,876
Of which variable bonus	500	0	1.373	809	-
Avg. other North Media A/S **	976	824	950	729	796
Avg. other North Media Group**	617	543	546	522	497
Ratio and percent difference *					
Pay gap factor NM A/S	5.7	4.7	4.7	6.4	6.1
Pay gap factor NM Group	9.7	8.5	10.2	8.9	9.8
Gender pay gap*)	25%	18%	20%	-	-

* ESRS S1 definition / ** Erhvervsstyrelsen - guidance

For calculation method, see accounting policies, Governance key numbers on page 88

Diversity

Work with diversity in senior management, sections 99b and 107d of the Danish Financial Statements Act

North Media is required to report on diversity based on the gender composition of the parent company, North Media A/S, where 21 persons (FTE) were employed during 2023 (2022: 14 FTE).

According to ÅRL §99b, the table below shows the number of individuals and the gender composition in the three upper management layers. The parent company North Media A/S falls below the employee limit of 50 employees, which is why the company is exempt from setting targets for other management.

For actions and policies for diversity in the North Media group in general, please refer to pages 77-78.

The Board of Directors of the parent company, North Media A/S, has since 25 March 2022 had a gender distribution of 20% women (one woman) and 80% men (four men), which is in accordance with the previously set target but not with the legal requirement of an equal distribution.

North Media conducts an annual evaluation of the competencies, input and experience of Board members in order to ensure an optimal mix of skills on the Board of Directors and to assess if there is a need for new competencies. At the latest review in 2023, no reason was found to strengthen the competences of the board.

All Board members were re-elected at the company's annual general meeting in 2023, so the gender distribution is unchanged.

Targets for equal gender distribution

Through its work with the diversity policy, North Media will continue to try and ensure the composition of employees and the Board of Directors is mixed, with equal opportunities for all regardless of gender, age or background.

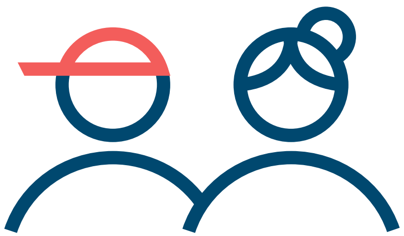
A basic requirement when filling board positions and other positions generally is for all candidates, regardless of gender, age or background, to be considered on an equal footing. Irrespective of the position to be filled, candidates are selected based on their experience, skills, attitudes and commitment.

North Media's overriding goal is to achieve an equal distribution of men and women on both the Board of Directors and at other management levels. Specifically for the Board of Directors, our ambition is to achieve the target by the end of 2026, cf. the target set in 2022. An equal distribution from a legal point of view means 40% of the underrepresented gender.

Reference is also made to the ESG section "Social" page 77-78, where there is a more detailed description of our work with diversity in the Group as a whole.

ÅRL §99b diversity	2023	2022	2021
Board of Directors			
NO of shareholder elected members	5	5	7
Percentage share of the under-represented gender	20%	20%	14%
Target for the under-represented gender on the Board	40%	20%	20%
Target year of achieving equal diversity	2026	2026	2023
Other management			
Numbers	11	7	5
%-share, underrepresented gender	27%	*	*
No requirement for goal setting due to < # 50	-	-	-

* Not specified, as there is no requirement or there is/was already an equal gender distribution



ESG regnskabspraksis –

General information on ESG ratios

2023 is the first year in which North Media reports ESG key figures. North Media's acquisition of the Swedish company SDR as of 29.12.2023 has taken place so late in the accounting period that the contribution to ESG data has been deemed immaterial for the 2023 statement, just as operations for the year have not been included.

From 2024, North Media will be covered by the new ESG reporting requirements in accordance with the CSRD, which is why the 2023 ESG reporting is inspired by these new requirements, but does not yet containing adequate reporting.

In the 2023 annual report, selected ESG key figures has been reviewed by our auditors, and figures in tables covered by the auditor's statement are marked with 👁. Only 2023 numbers have been reviewed and covered by the declaration.

Calculation of CO_2 equivalents

Greenhouse gases are gases that contribute to global warming by absorbing infrared radiation. North Media's activities do not emit other greenhouse gases apart from carbon dioxide (CO_2). The group's total greenhouse gas emissions (climate footprint) from electricity, heating and driving are converted into CO_2 equivalents ($CO2_e$). The greenhouse gas emissions are divided into three Scopes, (Scopes 1,2 and 3 according to the GHG Protocol, WBCRD, 2001), depending on where in the value chain they occur and what control the company has over them.

Scope 1 - All direkt emissions

North Media's activities do not emit other greenhouse gases apart from carbon dioxide (CO_2).

When calculating CO_2 emissions from driving, data for consumed diesel/petrol is used. North Media has no other direct outlets. Emissions from natural gas consumption for heating are calculated as consumption multiplied by the emission factor for the national average of natural gas.

Scope 2 - Indirect emissioner

Scope 2 emissions are the indirect emissions in connection with the energy that North Media buys, i.e. electricity and heat. The group's three domicile properties are all connected to the local district heating plants. All purchases of energy are included in the calculation.

Scope 2 emissions are calculated according to the method in the greenhouse gas protocol by using emission factors multiplied by the group's specific energy consumption. The location-based calculation method is used for reporting for Scope 2, as we do not recognize that the purchase of guarantees of origin / carbon credits affects the actual emissions in the electricity grid.

When calculating the share of renewable power, self-produced power from own solar cell systems is included, regardless of whether the power is used directly (simultaneous consumption) or fed back into the electricity grid. When calculating gross power consumption, purchased power from the grid is added with the concurrently consumed power from the solar cell systems.

Scope 3 emissioner

Scope 3 emissions relate to emissions from sources in the value chain that North Media does not itself own or control. They cover emissions from purchased goods and services, as well as our purchase of transport services from distribution suppliers, business partners, advertising and consulting services, travel allowances for driving in the company's service, etc. i.e. Scope 3.1-3.8, cf. the climate protocol.

Scope 3 emissions are calculated according to the greenhouse gas protocol by applying emission factors to the group's monetary purchase data.

Specific for the individual emissions

Scope 1 Direct emissions

Emissions from fossil fuel for company cars

Fuel consumption for company cars is calculated on the basis of invoices received from our leasing partner, and includes fuel consumption in Denmark as well as abroad. The consumption is multiplied by the associated emission factor.

Stationary combustion:

Natural gas used for heating at some smaller locations. Consumption data is based on meter readings and annual billing from the gas supplier. Actual consumption data is received in the 1st quarter of the following year, and emission data for the current year is estimated on the basis of consumption data for the previous year, adjusted for any changes in area sizes. Consumption is multiplied by the emission factor for gas on the national average from the Climate Compass.

Scope 2 Indirekte emissioner

Emissions from electricity, heating and cooling

The emissions are calculated on the basis of actual electricity and heat consumption at the group's locations, multiplied by relevant emission factors. The group's domicile properties are all heated with district heating.

Emissions from electricity consumption are calculated in accordance with the GHG protocol on the basis of the location-based method, and based on the emissions for hour-by-hour electricity consumption, both east and west of the Great Belt. Emissions are settled by an external supplier on the basis of specific consumption and knowledge of the energy mix at the group's locations.

The emissions from the district heating consumption are calculated on the basis of the ongoing reports from the district heating plants on actual emission emissions for the actual heat consumption. For external leases where the final settlement is received in the following year, the discharge is settled on the basis of consumption data for the previous year, adjusted for any changes in area sizes.

Reduced electricity consumption due to the solar system

The group's solar system covers a proportion of the electricity consumption, and thus reduces the total emissions. When calculating this reduced emission, Energinet's locational environmental declaration east and west of the Great Belt is used. For the current accounting period, the provisional declaration published in mid-January is used.

North Media returns electricity produced by solar cells that is not used at the same time to the grid, so that the total CO_2e emission reduction from the solar cells is calculated on the basis of the total, utilized production.

Scope 3 Emissions - in general

Scope 3 emissions are calculated based on the GHG protocol and are distributed among the 15 sub-categories. All costs, including plant investments purchased during the period and recognized in the consolidated accounts (and which are used in relation to the greenhouse gas protocol), i.e. in practice all costs excl. wages and taxes, multiplied by a CO_2e factor.

For each individual cost type, relevant emission factors have been used, and the factors for monetary values have largely been used, as we currently do not have a sufficiently valid understanding of the CO_2e emissions from our varied purchases. The majority of the emission factors are based on the Climate Compass's monetary rates from 2022, which are the most recently published.

Scope 3.1 Purchase of goods and services

Costs attributed to scope 3.1 are the purchase of goods and services, including IT licences, online marketing, consultants, canteen operations etc. Costs are divided into relevant subcategories primarily based on the Climate Compass' categories.

3.2 Purchase of capital goods

Consists mainly of fixed investments and items related to repair and maintenance of production equipment, including FK Distribution's packaging machines, building maintenance and office electronics.

The item also contains CO_2e emissions in connection with the group's investment in solar cell and battery systems. Emissions are recognized when amortized.

It has not been possible to obtain emission figures from the manufacturers of solar panels or batteries. For solar panels, we have therefore had to use more general studies carried out by Aalborg University and the Fraunhofer Institute, on comparable products produced in comparable production countries, while for batteries we have obtained data from external sources, mainly the Swedish energy authorities "Energymyndigheten".

3.3 Upstream emissions from electricity and heating

Upstream emissions from the supply companies' supply of electricity and district heating. These are calculated on the basis of the actual consumption of electricity, gas and heat, cf. scope 1 and 2, and are multiplied by the emission factor for the relevant suppliers.

Scope 3.4 Transport og distribution af produkter

When calculating the CO_2e emissions from this category, the starting point is the settled kilometers driven for which our sub-suppliers, including hauliers and partners, are settled. The actual driving is calculated by our production system on the basis of driving reports and route lists.

The emissions are calculated based on the two types of car used, including trucks and vans, and the associated emissions, based on an expected average loaded weight. Based on emission factors from the Climate Compass, this corresponds to approx. 1,100 grams of CO_2e per km driven for truck driving and 400 grams of CO_2e per driven km for vans. As we get specific data about our sub-suppliers' fleet (used to drive our printed materials), we will use this data to calculate a more correct CO_2e emission.

Scope 3.6 Rejser

Consists primarily of company related driving, a significant part of which consists of distribution of local newspapers and advertising printed matter to rural areas where distribution in the preferred way, (by foot), is not possible.

Emissions are calculated on the basis of the actual length of the routes in question, which is the basis for the toll payment. For now, North Media has used an average figure for emissions with driving in a passenger car, as we do not yet have systems to calculate the actual emissions on the basis of the actual car's emissions. The emissions are calculated based on the Climate Compass' rates, and adapted to the distributors' expected car fleet. For 2023, emissions are calculated at 230 grams of CO_2e per kilometers driven. 2018 data is calculated at 250 grams of CO_2e with the background that over the past 5 years there has been a strong change in Danes' vehicles towards the use of more hybrid and electric cars, just as existing fossil cars have become more energy efficient.

Scope 3.7 Employee commuting

The employees' CO_2e emission in connection with transport to and from work is calculated on the basis of a questionnaire survey in autumn 2023, where approx. 50% of the employees answered which form of transport they use, bus, train, bicycle or car, including whether it is an electric, diesel or petrol car, their actual distance to work, and how many days a week they work at the location .

On this basis, the emissions are calculated for each form of transport and extrapolated on behalf of the entire workforce.

The group's many distributors work based on their home address and do not commute.

Similar studies have not previously been carried out, so the 2018-2022 emissions are estimated on the basis of the increased use of electric and hybrid cars.

Scope 3.8 Leased assets
Mainly consists of costs for the group's leased assets, including depot rent targets and company cars. Emissions are calculated on the basis of relevant emission factors.

Social key figures

Occupational accidents

Occupational accidents are calculated as the number of occupational accidents reported to Arbejdsmarkedets Erhvervsforsikring (AES), i.e. which at the time of the injury is expected to result in at least one sick day. As an employer, we do not receive information about whether the reported damages are recognised.

The occupational injury figure thus also covers damages as a result of accidental accidents, if these occur during working hours and as long as this results in at least one sick day.

Of which includes fall or twist injuries

Typically covers the fact that one of our distributors falls in connection with the distribution of advertisements - often in connection with failure to clear the road or pavement. These injuries usually result in a few days of absence.

Diversity and age distribution

Age distribution is calculated on the basis of the number of employees for Salaried and Production employees incl. hourly paid workers. The age is measured based on age and actual employees in December of the calculation year.

The definition of men and women is defined based on the last digit of the social security number. Persons who do not wish to be defined as either male or female are not included in the calculation.

Governance key figures

Remuneration

Key figures for remuneration are calculated based on two different sets of data:

- Data used in remuneration report
- Data as required by the CSRD regulations

Salary data in the remuneration report
Salary data in the remuneration report is calculated on the basis of the Danish Business Authority's guidance, where the average salary for other employees in the company is shown separately, i.e. average salary for the company's employees excl. the executive board's remuneration. As the number of employees in the company is limited, corresponding figures for the group are provided voluntarily. The stated figures also appear in the remuneration report.

Salary data based on CSRD rules

Calculations are based on ESRS S1-16, and are based on all permanent employees, excl. hourly employees. Salary, pension, bonus and other employee benefits are included in the salary. Employees on reduced time are converted to full-time employees.

Wage gap
The salary of the highest paid employee is disclosed, including the amount of variable remuneration for the year.

Salary difference factor is calculated as the total salary for the highest paid divided by the median salary of all other employees, including if any other managing directors. As the number of employees in the company is limited, corresponding figures are given for the group.

Salary difference men/women (gender pay gap)
Calculated as the difference in the average salary level for male and female employees, expressed as a percentage of the average salary level for male employees.

ESRS S1 – Egne medarbejdere

North Media has chosen to start work on CSRD reporting by preparing a full report on ESRS S1 - Own employees already from the reporting year 2023.

North Media has chosen S1 on the basis of the result from the group's double materiality analysis, where the materiality of its own workforce (S1) was assessed as essential.

Inherent/Gross IROs

North Media assesses all impacts, risks and opportunities (IROs - Impact Risk & Opportunities) in the double materiality analysis on the basis of the activities' inherent impacts and risks, i.e. before any mitigation initiatives or actions are considered. This means that current and future actions and initiatives do not change the materiality of gross impacts, risks and opportunities.

This also means that IROs which, as a consequence of the Danish legislation and/or decisions in the group, have been handled, mitigated or prevented, so that the risk is not factually assessed to be present in the group, are still mentioned as potential in the overall materiality assessment's list of topics.

Residual/net IROs

The total impacts, risks and opportunities on the basis of implemented management initiatives and preventive actions reflect North Media's net risks and impacts. North Media reports on current and future actions and initiatives to track the reduction of risks and impacts over time.

On the following pages, the information requirements from the ESRS S1 standard are inserted one-by-one to create a better overview and transparency. All information requirements in the ESRS S1 standard are answered on the basis of the identified IROs which are assessed as significant in North Media's DMA.

We have chosen this open and transparent approach because we believe that, despite the scope, it increases overall readability, as there is no doubt as to whether a given information requirement has been met, or where the answer can exist.

On the previous pages under the section for "Social" we have explained our approach, process, ambitions, initiatives and goals within the key areas that affect our own employees. The following pages reflect the same content, but are categorized under the relevant information requirement, so that the relationship between reporting requirements and reporting responses is easily transparent. The following reporting table is divided into a left and a right column. The left column is the formal disclosure requirement from the ESRS S1 standard and the right column is North Media's response to the reporting requirement.

We are monitoring the development of the new EFRAG guidelines, which will be published in 2024, and North Media will continuously refine the process and method based on any updates.

Specific reporting requirements under the DR	Response
	1. Strategy
	ESRS 2 SBM-2 - Interests and views of stakeholders
12. Disclose how interests, views, rights, and expectations of materially affected own workers are informing the strategy and business model	**12.** North Media recognises that this section should be reported in conjunction with the general disclosure requirements under ESRS 2 SBM-2 and it will therefore starting next year be reported as part of the ESRS 2 disclosure requirements. North Media has divided its workforce into three categories to ensure that the rights, interests and views of all types of employees are considered when assessing and managing material impacts, risks and opportunities, and to identify the employee group that the IROs specifically relate to and affect. The three main categories are: 1) Salaried employees and office staff. This comprises employees at North Media's head office in Søborg, BoligPortal's office in Aarhus, and FK Distribution's offices in Tilst, Taastrup, Esbjerg and Svendborg. 2) Production workers. Production comprises loosely associated and permanently employed warehouse employees at FK Distribution's packing terminals in Taastrup and Tilst. 3) Deliverers. Deliverers comprise around 10,000 part-time employees, including young people, adults and retirees as well as deliverers from vulnerable social groups. Each company in North Media has its own business concept and its own strategy, but common for all companies is that the workforce is a strategic resource. FK Distribution's business model includes around 10,000 deliverers, who distribute newspapers and printed advertising material across Denmark. Due to the business strategy, a high employee turnover rate is natural, which is why an efficient recruiting process and on-boarding programme are a priority for FK Distribution. It is often the young delivery person's first encounter with an employer, and therefore all recruitment interviews are between the young person accompanied by their parents and the directly assigned delivery supervisor from FK Distribution. In addition, five meetings with the young deliverer are scheduled within the first three months of their employment so needs, wishes, questions and challenges can be addressed and discussed. Furthermore, specific instruction videos and workplace assessments (WPA) are used to ensure a safe and secure start to the job as deliverer, and to ensure high level of engagement and employee satisfaction. FK Distribution has also tailored its business concept to the Danish school system, so that the young deliverers can attend school, pursue their hobbies and spare-time interests and at the same time work within the frameworks and rules established for 13-year-olds with a spare-time job. North Media endeavours to include the interests and views of the entire workforce and to ensure that they are continuously involved in the development of the company. North Media has implemented this through a fixed management and meeting structure across all companies. In the packing terminals this is through weekly Lean meetings, and for salaried employees and office staff through frequent management meetings with a set agenda and summary taken. The impetus for the meeting structure is that all employees have the right and the obligation to make their contribution to the development of the businesses, which also has the benefit of increasing the influence on one's own work area, making the efforts of the individual visible to other colleagues, and at the same time making the distribution of tasks and responsibilities clearer. Furthermore, all North Media companies have a flat organisational structure where all employees have the opportunity to influence and engage in an ongoing open dialogue that allows employees to contribute their views and opinions. *See more under S1-2 points 25 & 26* for further employee engagement initiatives. All initiatives are led by North Media's executive management and staff managers in cooperation with the HR function, which has strong competencies to tie in the interests and rights of the company's employees with North Media's business concepts and strategy.
	ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
13. Disclose: (a) whether and how actual and potential impacts on own workforce as identified in ESRS 2 IRO-1 originate from or are connected to the strategy and business models, and inform and contribute to adapting the undertaking's strategy and business model.	**13**. (a) North Media has prepared an impact assessment as part of our human rights due diligence process on own workforce in order to systematically identify and assess actual and potential impacts on each of the 48 universal and fundamental human rights based on the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGP), International Bill of Human Rights (IBHR) and the ILO Declaration on Fundamental Principles and Rights at Work. Based on the impact assessment, North Media identified potential impacts on 15 human and labour rights. The materiality of the impacts on own employees has further been evaluated in the double materiality assessment based on the severity (scale, scope, irremediability) and likelihood of the impacts. From the double materiality assessment potential impacts on 4 of the 15 human and labour rights were assessed material and therefore prioritized for reporting. The four essential human and labour rights identified are: 1) the right to work and working hours, 2) the right to safe and healthy working conditions, 3) the right to adequate wages and 4) the right to protection against exploitation. The material positive impacts identified for North Media's own workforce relate to our work with equal opportunities and rights across the different levels of the organisation. These do not stem from the companies' business concepts or strategies, but is inherent to North Media's fundamental value of fairness, which is amongst other things, reflected in the implementation of equal conditions for the different categories of employees, including equal pay for equal work. In addition, warehouse employees and salaried employee and office staff work under a flat organisational hierarchy that encourages employees to engage in the development of North Media's businesses as well as to have an influence on their own work areas.

Specific reporting requirements under the DR	Response
	The assessment of the significant, potentially negative impacts must be seen in the light of the fact that some of FK Distribution's young distributors are at an age where they are technically referred to as children in the UN's definitions. However, the UN's definitions do not take into account the fact that the conditions of the unemployed are regulated in the Danish legislation in this area, which strictly regulates the right to work and working hours, the right to safe and healthy working conditions, the right to adequate wages, and the right to protection against exploitation. The business model in FK Distribution is set up so that all these danish requirements are met. Impacts related to the four rights above must be seen in the context of the fact that North Media employs young staff responsibly, matures and develops young people and prepares them for their next job while giving them a sense of independence and accountability. Being a deliverer in North Media is a paid part-time job up to 2 hours on school days and not a full-time job. It cannot and must therefore not be categorized or treated as child labor in the sense that the above right regarding children and young people's right to protection against exploitation prescribes. The Danish Working Environment Authority's (WEA) stricter guidelines as well as rules and regulations of the Danish Working Environment Act for spare-time work are fully integrated into all North Media's processes, and regular checks are carried out to ensure compliance. No concrete negative impacts have been identified and assessed in the Group. North Media's business concepts and strategies comply with, among other things, the right to rest, spare time and paid holidays, the right to free speech, the right to training and education, the right to non-discrimination, and the right to equal opportunities for everyone to be promoted.
(b) the relationship between material risks and opportunities arising from impacts and dependencies on own workforce and the strategy and business model.	(b) No specific negative impacts on our young distributors have been identified. Potential adverse impacts and risks affecting our employees in general may be possible impacts on the right to non-discrimination, the right to equal pay for equal work and the right to equal promotion opportunities. The latter do not relate to North Media's business model, but are symptomatic and rather reflect the society in which North Media operates.
14. (a) Brief describtion of main types of employees and non-employees in own workforce subject to material impacts.	**14.** (a) As part of the human rigths impact assessment and double materiality assessment, North Media has divided its workforce into three main categories. *See more under ESRS 2 SBM-2, point 12.*
(b) in the case of **material negative impacts,** whether they are widespread/systemic in contexts where the company operates (for example, child labour or forced labour or compulsory labour in specific countries or regions outside the EU), or related to individual incidents (for example, an industrial accident).	(b) Of the four identified potential negative impacts on young distributors that we have identified, only the right to safe and healthy working conditions can potentially affect our distributors. The few accidents that occur during distribution are often fall injuries, and it is extremely rare that the injuries give rise to absences of more than 14 days. Accidents are not considered systematic, but as individual incidents, and the distributor's distribution manager is always available and ensures that the distributor is taken care of if an accident occurs, and ensures that the injury is reported to the Danish Workers' Compensation Board. Potential adverse impacts on own workforce do not take place outside the EU, as North Media has no locations or activities outside Europe.
(c) in the case of **material positive impacts,** a brief description of the activities	(c) FK Distribution has material positive impacts, especially on deliverers and production workers in connection with equal opportunities for all. FK Distribution wants a broad and diverse group of deliverers, including young people, seniors, and those from socially vulnerable groups, such as those eligible for flexi-jobs. In addition, FK Distribution also strives to have a diverse workforce of experienced production workers of various ethnicities and backgrounds hired in the packing terminals. North Media generally endeavours to include and offer many different groups in society equal, safe and good working conditions regardless of background.
(d) describe **risks and opportunities** arising from impacts and dependencies.	(d) Identified material risks arising from the impacts on North Media's own workforce relate to North Media's ability to attract and retain employees, as well as comply with expectations of key stakeholders.
(e) disclose if **any material impacts on the workforce** are arising from environmental transition plans (restructuring, employment loss, job creation, upskilling etc	(e) Transition plans in the world in general for reducing adverse impacts on the environment, including ensuring greener operations, will not have any significant adverse impact on North Media's workforce. North Media will in the coming years be focused on developing internal competencies in the areas of renewable energy, green logistics and ESG in general, and therefore has a need to attract new employees and to retain existing employees.
(f) **incidents of forced labour**	(f) Forced labour in general does not constitute a material risk in the geographical areas where North Media operates and is therefore not relevant. Furthermore, all production workers are covered by agreements that secure relevant working conditions for the individual employee.
(g) **incidents of child labour.**	(g) A substantial number of FK Distribution's deliverers are employed from the age of 13, when, according to Danish law they must take care of a spare-time job for up to two hours a day on school days. As young people under 15 years of age are defined as children in the UN Guiding Principles on Business and Human Rights, FK Distribution has a particular responsibility to ensure proper and safe working conditions for them, and has therefore developed a digital universe where they have free access to all relevant information concerning on-boarding, training, and health and safety at work. *See more under ESRS 2 SBM-2, point 12.*
15. Disclose whether and how the company has developed an understanding of how people with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.	**15.** The main category of employees that can be materially adversely impacted is, as described above, the young deliverers. This is recognized in accordance with the definition of child labour in the UN Guiding Principles on Business and Human Rights, which refers to the International Covenant on Economic, Social and Cultural Rights, article 10 (ICESCR art. 10), which states that children under 15 years of age (or 14 if the country in question has obtained an exception) may not be recruited. In Denmark, a further exception has been obtained allowing 13-year-olds to deliver newspapers and door drop advertising. As an employer, FK Distribution naturally has a particular responsibility to ensure that material adverse impacts are prevented, addressed and remediated in light of the age of the employees. A responsibility FK Distribution constantly lives up to. *See more under ESRS 2 SBM-3, point 13 a).*
16. If impacts are on any specific groups (age, temporary workers, or workers in a particular country etc.) or if the impact affects all (training, pay cut etc.)	**16.** Potential adverse impacts, resulting in material risks, particularly relates to young deliverers in the age group of 13 to 15, as FK Distribution provides the opportunity of a good and educational spare-time job. The specific employee group(s) affected has already been described in connection to the relevant impact throughout the reporting.

Specific reporting requirements under the DR	Response
	2. Impacts, risks and opportunies management
	S1-1 - Policies related to own workforce
17, 18 & 19. Policy commitment that addresses identification, assessment, management, and/or remediation of material impacts, risks and opportunities on working conditions, equal treatment and opportunities and other work-related rights related to own workforce.	**17, 18 & 19**. *See more under ESRS 2 SBM-3, point 13 a)* for material potential and actual adverse impacts and risks on own workforce. North Media has several policies with respect to addressing material impacts and risks of own workforce, specifically its corporate social responsibility policy, diversity policy, policy on addressing and prevention of abusive behaviour and sexual harassment, the distribution handbook, and also a whistleblower policy. The corporate social responsibility policy describes North Media's approach to human rights and focus on ensuring a good, stimulating and healthy working environment for all employees, as well as on creating a positive introduction to the job market for the young deliverers, non-ethnic Danes and groups on the periphery of the job market. The overriding purpose of North Media's diversity policy is to ensure that all employees throughout the organisation are assessed solely on the basis of their competencies, qualifications, experience and attitudes, both in the recruitment situation and in their ongoing employment with us. North Media views diversity among its own workforce as an important and natural element for being able to create an engaged and development-oriented working environment. The policy sets an overall target for gender diversity and North Media's gender diversity for 2023 shows that 42% of the total workforce is female. Compliance with the diversity policy is reported annually to the Executive Board. The policy on addressing and prevention of abusive behaviour and sexual harassment describes North Media's procedures and processes for preventing, identifying, assessing, addressing and remediating any incidents of offensive behaviour in the organisation. The policy also describes where and how employees can report incidents if they experience abusive behaviour or harassment, as well as the process for how incident reporting is handled. The policy applies to the entire workforce of North Media. The distribution handbook describes the standard procedures that all FK Distribution's delivery supervisors must follow when addressing impacts and challenges among deliverers. The distribution handbook describes the general approach to protecting children's and young people's rights and ensuring streamlined procedures that are supported by the distribution system. The purpose of the whistleblower policy is to explain how the whistleblower program works, including how to report an incident via the program and the issues that can be reported. The whistleblower program has been implemented across all companies in North Media.
20. Policy commitments relevant for processes and mechanisms to monitor compliance with OECD guidelines UNGP. - Respect for human rights, incl. labour rights - Engagement with affected stakeholders - Measures to provide or enable remedy	**20.** In its policy on corporate social responsibility, North Media has committed to respecting international human rights and labour rights as described in The International Bill of Human Rights and the core conventions from The International Labour Organization. North Media endeavours to prevent any adverse impact on human rights and labour rights throughout the value chain, and we are committed to addressing and remediating any such adverse events that North Media may have caused or contributed to. In 2023, North Media commenced implementing formal processes and mechanisms for monitoring compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Among the initiatives in 2023, a human rights impact assessment was conducted to identify North Media's actual and potential adverse and positive impacts on its own workforce. Going forward, the assessment will ensure an annual and systematic due diligence of North Media's potential and actual adverse and positive impacts on its own workforce related to universal and fundamental human rights.
21. Disclose whether and how policies with regard to its own workforce are aligned with relevant internationally recognised instruments, including the UNGP	**21**. North Media continually works to ensure that policies covering own workforce are in compliance with the UNGP framework, for example by ensuring that all policies are approved at the highest executive management level, are publicly available, describe expectations made of relevant business partners, and are accessible and anchored across the organisation.
22. State whether the policies explicitly address trafficking, forced labour or compulsory labour and child labour.	**22**. North Media's corporate social responsibility policy refers to the international human rights and labour rights. *See more under S1-1, point 20.* Currently, the policy does not explicitly address forced or compulsory labour or child labour as it is not considered relevant. North Media will consider whether the policy should be changed, among other things, a section dealing explicitly with the above issues, although such an update is unlikely to have any practical significance.
23. State whether North Media has a workplace accident prevention policy or management system in place.	**23**. All production workers undertake a mandatory induction and training programme on health and safety in the packing terminals to prevent and avoid work-related accidents, while working conditions at the workplace are regularly reviewed and optimised to ensure safe and healthy working conditions. In addition, a safety representative is always present at the production facility during both day and night shifts. Procedures for reporting on work-related accidents are in place, and production workers are informed on how to report injuries and near misses during working hours so they can be addressed, mitigated, prevented and reported to Labour Market Insurance (AES). Work-related accidents are discussed at meetings of the health and safety committee for the purpose of preventing the recurrence of similar work-related accidents in the future. For the young deliverers, occupational safety is separately regulated in the Health and Safety at Work Act, which for example defines rules for working hours and weight limits for lifting and towing during distribution of newspapers and printed advertisement. The Health and Safety at Work Act's regulations have been integrated into all internal procedures and work processes, both at the packing terminals and in distribution. The deliverers are provided five comprehensive introduction videos on health and safety at work, including a separate video on the Health and Safety at Work Act's regulations. The videos are accessible on the shared digital platform and it is a requirement that deliverers watch these videos prior to their first distribution. In addition, an integral aspect of the on-boarding procedure is that the deliverer's assigned delivery supervisor explains the most important safety precautions both prior to and after the first distribution of newspapers and printed advertisement. Moreover, the delivery supervisor can be contacted at any time if the deliverer experiences an uncomfortable or unsafe situation.

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	There are currently no written policies covering the area, as we have assessed it to be more effective via video and hand-on training to show and explain accident prevention practices to production workers and deliverers. With regard to salaried employees and office staff, guidelines and recommendations for office work and sedentary work are communicated on the companies' intranets, while health and safety tips and tricks are regularly communicated on the same platform.
24. Disclose (a) whether specific policies aimed at the elimination of discrimination are in place, including harassment, promoting equal opportunities and other ways to advance diversity and inclusion.	(a) North Media's corporate social responsibility and diversity policies, as well as its policy on abusive behaviour, describe North Media's approach to eliminating discrimination, promoting equal opportunities for all and advancing diversity and inclusion among North Media's own workforce.
(b) whether the following grounds for discrimination are specifically covered in the policy: racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin.	(b) The aforementioned policies explicitly address gender, age, ethnicity, nationality, sexuality, race, disability, civil status and background as grounds for discrimination. *See under S1-1 points 17, 18 & 19* for more details
(c) whether specific policy commitments related to inclusion or positive action for people from groups at particular risk of vulnerability in own workforce are in place and, if so, what these commitments are.	(c) *See under S1-1 points 17 & 19* for more details on inclusion and diversity in the policy on corporate social responsibility and the policy on diversity, respectively. However, the policies do not have specific targets for inclusion initiatives or specific commitments. FK Distribution works together with various municipal job centres, and migrants through a collaboration with the Church Army. North Media also has a pre-retirement policy that aims to support and retain employees aged over 60 by offering more flexible working conditions. Furthermore, FK Distribution has included a number of standard procedures in the distribution handbook to support young deliverers, describing, for example, what, who and how delivery supervisors should address various situations and impacts on the deliverers. The procedures in the distribution handbook are also described in the employment contracts of the delivery supervisors and are an integrated aspect of the work process.
(d) whether and how these policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion in general.	(d) The diversity policy is integrated into North Media's management policies, procedures and work processes for recruiting and development, including promotions, during the employment period at one of North Media's companies. The policy covering abusive behaviour is communicated on all the companies' intranets. A standard procedure has been incorporated into North Media's management systems for addressing incidents of discrimination, as well as the HR function investigates and follows up on any incidents experienced when conducting the annual job satisfaction survey.
S1-2 - Processes for engaging with own workers and workers' representatives about impacts	
25 & 26 Disclose general processes for engaging with people in own workforce about impacts as part of the on-going due diligence and how perspectives of employees are taken into account in the decision-making processes.	**25 & 26** In 2023, North Media conducted a human rights impact assessment to systematically identify and assess actual and potential impacts on own workforce, including North Media's salaried employees and office staff, production workers and deliverers. One aspect of the assessment was to identify specific affected or potentially affected stakeholders, as well as to describe the methods North Media employs to engage with affected stakeholders. The human rights impact assessment documents the link between engagement and dialogue processes in place and the identified impacts on the workforce. This means that all dialogue processes undertaken to prevent and mitigate potential impacts on young deliverers are documented for each human right assessed . *See more under ESRS 2 SBM-2, point 12.* North Media has introduced a number of dialogue initiatives to strengthen the ongoing collaboration with own workforce on actual and potential impacts. The dialogue initiatives vary across the different types of North Media employee groups: **Salaried employees and office staff:** • Regular meetings in the working environment organisation, including following up on physical working conditions and mental health • Regular information meetings, department meetings and 1-2-1 meetings • Thorough recruitment process with up to three interviews and the completion of an IQ test, personal profile, professional case and the obtaining of references • Standard pre-boarding and on-boarding procedures and automated process for salaried and office staff, including a company introduction programme, buddy scheme, on-the-job training and answering questionnaires, and the conducting of a standard interview process after 14 days, 3 months and 6 months of employment • Annual job satisfaction survey, manager evaluations and workplace assessments, including dialogue meetings based on these • Regular appraisal interviews between managers and employees • Annual performance and development interviews, including the option of development plans • Annual pre-retirement interviews with employees who have turned 60 • Informal digital dialogue tools such as Teams, Yammer and Slack • Exit interview as a standard component of the off-boarding procedure **Production workers:** • Regular meetings in the health and safety organisation and with union representatives, including following up on health and safety as well as the physical working conditions and mental health **Deliverers:** • Regulatory introduction interviews with deliverers during the initial months of their employment • Emergency number that can be called while delivering • Text messaging line available through which the assigned delivery supervisor can be contacted by the deliverer

Specific reporting requirements under the DR	Response
	• Workplace assessments (WPA) **All:** • Policy for management meetings that ensures participation, increased visibility and influence • Daily and weekly whiteboard meetings that allow employees to influence work procedures, project execution, forms of collaboration, etc. • Weekly management meetings and joint information meetings • Appointment of employee representatives, including union and working environment representatives • Regular meetings under the auspices of the working environment organisation with the participation of HR, management representatives and employee representatives • Open offices with HR staff and managers available for sparring and advice • Training and development, including competency and qualification training, development of personal competencies, team development, leadership development and educational programmes of longer duration • Employee ill health policy that comprises a standard procedure for management follow-up on ill employees, including a procedure for organising ill health interviews and optional meetings for a good and secure return to work Whistleblower program.
27. (a) Is the engagement directly with the own workforce or workers' representatives	**27**. (a) At North Media, employee perspectives are included in decisions on how to manage actual and potential impacts. Particular emphasis is placed on dialogue with the young deliverers.
(b) Discolse the type of engagement, the frequency and at what stage the engangement occur	(b) North Media works actively and continuously to ensure that potential adverse impacts on the deliverers' working hours, safe working conditions, fair wages and protection against exploitation are neither realised nor occur. This includes ensuring that deliverers can contact FK Distribution at any time via an extensive shared text messaging system where several supervisors are responsible for ensuring a rapid reply. In addition, deliverers can always reach a delivery supervisor during the delivery via a special emergency number. For more details *see under ESRS 2 SBM-2, point 12*.
(c) Disclose the function/senior role that has the operational responsibility for ensuring the engagement	(c) North Media's CHRO has overall responsibility for ensuring that the perspectives of relevant and potentially affected employees are included in the process of addressing actual and potential adverse impacts. This happens in close cooperation with managers throughout North Media as well as with employee representatives. More specifically for deliverers, the distribution manager in charge of the relevant geographical area has overall responsibility for ensuring that the perspectives of the deliverers are reflected in the decisions made and in the activities initiated for the purpose of preventing and mitigating adverse impacts on the deliverers.
(d) Any Global Framework Agreement or other agreements that North Media has with workers' representatives related to the respect of human rights	(d) N/A, as North Media ensures compliance and respect for human rights in relation to own workforce, and addresses and handles potential adverse impacts connected with this. North Media also works with the law firm Horten Advokatpartnerselskab who, together with representatives of North Media, review and assess perspectives and insights received via the whistleblower program.
(e) Explain how the effectiveness of engagements are assessed	(e) The effectiveness of North Media's engagement with own workforce is assessed using the results of the job satisfaction surveys, management evaluations, workplace assessments, regular appraisal interviews and also the recorded workforce turnover rate.
28. Disclose the steps to gain insight into the perspectives of workers that may be particularly vulnerable	**28.** As young delivery people according to FN are categorised as particularly vulnerable to impacts due to their age alone, we have already reported with respect to this point. *See more under S1-2, points 25, 26 & 27.*
29. If no due diligence process are in place to engage with own workforce this must be disclosed	**29.** N/A
S1-3 - Processes to remediate negative impacts and channels to raise concerns	
30 & 31. Describe formal means of which own workforce can make their concerns and needs and how follow-up is performed	**30 & 31** North Media informs and encourages employees across all functions to approach their immediate supervisor, employee representatives or HR directly if the employee experiences adverse impacts or would like to present concerns, ideas and/or complaints. Furthermore, an external whistleblower scheme has been established where the employee can both anonymously or non-anonymously lodge a grievance. *See more under S1-2, points 25 & 26* for the separate channels for salaried employees and office staff, production workers and deliverers.
32. (a) Disclose the processes for contributing or providing remedy where negative impacts on own workers has been identified and the effectiveness of that remedy.	**32.** (a) North Media's HR function is available to provide confidential assistance, advice and sparring as well as to address various types of incidents. North Media's HR function is trained in assessing, handling and resolving employee-related challenges, and has extensive experience with this. When HR receives a complaint or a concern, HR undertakes an impartial investigation of the incident with consent from the employee. The investigation will typically comprise interviews with all parties involved in the case as well as further clarification and enquiries, depending on the situation. Solutions are sought by involving relevant managers and with discretion. All involved parties should feel they are being heard and that their version is taken seriously. Such investigations are documented and stored in HR. North Media has a separate policy for preventing and addressing abusive behaviour and sexual harassment, and has zero tolerance for adverse impacts and discrimination in such matters. When addressing concrete incidents involving abusive behaviour, the HR department assesses the specific situation together with management and the Executive Board and as far as possible seeks specific and straightforward solutions which can ultimately lead to labour law consequences, including reprimand, transfer, firing or summary dismissal, as protecting the abused party comes before protecting the abuser's job in North Media. The challenges that most often concern deliverers are related to a particular route's character, including length and accessibility. The delivery supervisor and the deliverers investigate the issues together and afterwards make any necessary changes. Young deliverers under the age of 18 have priority for routes and are therefore assigned a new route if they are dissatisfied with their route for one reason or another. Complaints concerning negative experiences along the route are addressed by an experienced management team, though in cases of serious harassment the standard procedure is to

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	involve the HR function and to report the incident to the police. In cases of a serious nature (which is extremely rare), crisis support is offered through a crisis management arrangement with Falck. Delivery supervisors encourage all deliverers to notify if they experience abusive behaviour or other negative treatment on their route, so suitable measures can be set in motion, including initiating dialogue, or in more extreme cases excluding delivery to certain neighbourhoods or addresses, as safety and security for deliverers on the route is the highest priority for FK Distribution.
(b) Specify specific channel for own workforce to raise concerns or needs directly (established by the company or by a third-party).	(b) North Media encourages employees to contact their immediate supervisor, an employee representative or HR if they have concerns or needs that have to be discussed or addressed. In addition, employees can raise concerns via the external whistleblower program, where reports are received through a partnership with law firm Horten Advokatpartnerselskab.
(c) whether or not the company has a grievance/complaints handling mechanism in place related to employee matters.	(c) Own workforce perspectives are included in the addressing of adverse impacts identified through the annual human rights impact assessment via ongoing input and perspectives to management, HR and employee representatives in North Media, as well as formal employee grievances, needs and concerns reported via the whistleblower program.
(d) processes for supporting the availability of mechanism in the workplace and for own workers.	(d) In addition to a large open-plan office set-up that strengthens and supports direct contact and open dialogue between employees and managers, a formal grievance mechanism has been implemented in the form of a whistleblower program that is available to all North Media's workforce. Employees are encouraged through the intranet, employee handbook and the whistleblower policy to use the whistleblower program if they are aware of issues that would not otherwise come to light, or if the employee wants to raise a formal concern or complaint but does not wish to directly approach their immediate supervisor, manager, HR or usual contact person.
(e) Disclose how issues raised are tracked and monitored and how the effectiveness of the channels are ensured.	(e) The whistleblower program enables a systematic registration and documentation of workforce complaints, comments, ideas, needs or concerns relating to the impacts identified in the human rights impact assessment. The documentation ensures that relevant perspectives of North Media's employees can be effectively included in addressing and managing the impacts.
33. How North Media has assessed that people in its own workforce are aware of, and trust, these structures or processes as a way to raise their concerns or needs. And if any policies that protect the individual against retaliation are in place.	**33.** A fundamental aspect of North Media's set of values is to be a responsible business with integrity, and that includes all employees treating each other with respect. Our workforce is aware that this is a significant part of our culture, and if they see or experience non-conforming behaviour they are encouraged to speak with their immediate supervisor, an employee representative or to directly approach HR. North Media does not have a separate policy to protect persons who make complaints or pass on concerns to employee representatives, managers or HR, but these functions are obliged to maintain full confidentiality and to ensure the expected mutual trust and respect as representatives of the processes and structures described above. North Media's whistleblower policy protects the whistleblower against retaliation.
34. If no channel for raising concerns are in place or does not support the availability of such a channel this must be disclosed.	**34.** N/A
S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	
35 & 36. Describe approaches and actions taken to address, and mitigate material risks and pursuing material opportunities and the effectiveness of those actions Enable an understanding of any actions and initiatives through which you seek to a) prevent, mitigate and remediate negative material impacts on own workforce and to achieve positive material impacts and b) to enable an understanding of the ways to address the material risks and pursuing the material opportunities related to own workforce.	**35 & 36.** Addressing material adverse and positive impacts on North Media's own workforce has prompted a series of new initiatives and activities across the organisation over a period of many years. In general, North Media has already been aware of the potential adverse impacts identified and assessed as material through the double materiality assessment. North Media has therefore continuously been working to prevent, address and mitigate these through integral procedures and automated processes. This had happened quite naturally in dialogue with the affected employee groups. When and if potential or actual adverse impacts on own workforce are identified, actions to prevent, mitigate or remedy the impact are described in the impact analysis. Moreover, the relevant indicators to measure the effect of the actions are considered. Measures and initiatives to prevent, mitigate and remediate adverse impacts and to create positive impacts are being continually developed and strengthened in dialogue and collaboration with relevant persons and departments in North Media, including the HR function and the sustainability department as well as employee representatives, managers and executives across the organisation. Going forward, North Media will include own workforce perspectives in the annual human rights impact assessment to better inform the decisions and activities that aim to address and manage the adverse impacts that have been identifed. This will be done via the whistleblower program, which ensures that workforce perspectives are systematically registered and documented. *See under S1-3, point 30 & 31 and 32 b)* for more details on the whistleblower program.
37. Provide a summarised description of the action plans and resources to manage your material impacts, risks, and opportunities related to own workforce in accordance with ESRS 2 MDR-A Actions and resources	**37**. North Media has for many years been working on measures and initiatives on material matters related to own workforce and suitable actions have therefore already been implemented. Hence, new action plans for 2023 have not been deemed relevant. *See under S1-4, point 38 a)* for the initiatives and actions North Media has implemented over the years to prevent, mitigate and remediate material adverse impacts on its own workforce. As actions from previous periods have already been fully implemented, "progress on action plans" is not viewed as relevant at the present time.
38. (a) actions taken, planned or underway to prevent or mitigate material negative impacts on own workforce	**38**. North Media has already arranged its business prior to reporting year 2023 in such a way that the potentially adverse negative impact on the young delivery personnel comprise which the UN criteria ensure protection against, are not relevant in North Media. North Media sets high standards for its treatment of the young deliverers, and all delivery supervisors must therefore follow a standard procedure in order to ensure continuous responsible and professional processes. Specific measures in current standard procedures to prevent and avoid material adverse impacts on the working conditions of young deliverers comprise: • Recruitment interview with both the deliverer and their parents

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	• Conducting regular introduction interviews to prepare the deliverers prior to their first distribution as well as regular follow-up interviews during the period of employment. • Regular follow-up interviews with the deliverers with respect to health and safety, performance and quality of delivery • Dialogue with the deliverer's parents in cases where the young delivery person's work input is assessed as not satisfactory The health and safety of the young deliverers when at work is paramount, and North Media therefore works diligently to reduce the number of work-related accidents. Measures include: • All deliverers undergo a thorough introduction to the work and to health and safety prior to their first distribution • Deliverer's parents are involved in the training process • Furthermore, the young deliverers in particular are trained in correct working posture when lifting or twisting as well as the safe use of bicycle and trailer • Road safety training prior to their first distribution • Instructions in the use of safety equipment on the route in the form of high visibility vests Health and safety for production workers in the packing terminals is also important for North Media, even though adverse impacts related to this has not been assessed material considering the impact scale, scope, and irremediability. To strengthen health and safety in the packing terminals, the following actions have been implemented: • North Media has formalised health and safety procedures at the packing terminals for registering and documenting work-related accidents and near misses that are handled by the HR department for further processing by Labour Market Insurance (AES) • Health and safety procedures at the packing terminals contain detailed and specific descriptions of the work processes • Mandatory training in safety procedures • Annual health check for production workers who work the night shift • Follow-up on work-related accidents that occur, and regular health and safety meetings The number of accidents has decreased from six registered accidents in the previous year to a single accident in the current reporting year, which does not cause permanent injuryes
(b) whether and how actions have been taken to provide or enable remedy in relation to an actual material impact	(b) North Media addresses and enables remediation of an actual material impact through collaboration and dialogue across North Media's many companies, departments and locations. Moreover, those of North Media's workforce who ensure remediation have substantial seniority, which provides deep insight and knowledge of the organisation's procedures and processes. For example, many of the distribution managers are recruited internally. This means that when a material impact is addressed and mitigated by the management team, they have many years' of experience and knowledge into the circumstances and activities and is therefore well-equipped to address and manage the incident from an informed position.
(c) any additional actions or initiatives in place with the primary purpose of delivering positive impacts for your own workforce	(c) *See more under ESRS 2 SMB-3 point 13 a) and 14 c)* for North Media's positive impacts on own workforce. Many of the actions and initiatives are carried out and implemented based on a show-and-explain principle rather than written documented procedures so that everyone has the opportunity to participate and understand the messages regardless of educational background and language skills. Furthermore, the entire production workforce is included in all health and safety initiatives, social events, fire drills, first aid courses, vaccinations, health insurance, health checks, etc. equal to all other salaried employees and office staff. North Media's salaried employees and office staff generally work closely with production workers to support good social integration and strong cohesion within the workforce. North Media has a material positive impact on socially vulnerable members of its own workforce via the measures that support recruitment and decent job opportunities for vulnerable social groups through a variety of collaborative partnerships. *See more under S1-1, point 24 c).* Furthermore, the Board of Directors of North Media has decided to establish an employee support scheme with the declared purpose of supporting current and former employees with at least 10 years of employment in North Media and their families who have a particular and acute need for financial assistance. In North Media's view, the right amount of new professional challenges creates high job satisfaction, so we have a strong focus on implementing initiatives that support career development and internal mobility within the organisation. Our own workforce has ample opportunity to take on new areas of responsibility and apply for new positions internally.
(d) how effectiveness of these actions in delivering outcomes for its own workforce is tracked and assessd.	(d) To assess North Media's efforts in relation to work-related accidents, the number of work-related accidents among deliverers is measured every year, and in 2023 eleven work-related accidents were registered, two of which at the time of the accident, were assessed by the deliverer himself to last more than 14 days however not resulting in any permanent injuries. The remaining accidents were all assessed as lasting less than six days. This is a decrease in the number of accidents at work compared to the previous year, when the figure was 20. The vast majority of injuries in this group are due to minor injuries, such as falls and twisted ankles during distribution. Likewise, the number of work-related accidents in the packing terminals is also measured annually, and here the number declined to one work-related accident in 2023 compared to six accidents registered the previous year. The employee turnover rate for deliverers is also measured, just as it is for all employees at North Media, in order to assess the effect of measures and initiatives intended to improve working conditions, with the aim of increasing retention rates. North Media also conducts a workplace assessment every three years as well as an annual job satisfaction survey, which among other things measures the proportion of our own workforce that is satisfied with their development opportunities in their current job. In 2023, 74.7% were satisfied with their development opportunities. Job satisfaction is also measured, and in 2023 some 79.6% felt they had interesting work assignments, while 84% felt they had a high level of job satisfaction. Furthermore, 86.1% of own workforce assessed their job to be meaningful..
39. In relation to paragraph 36, you shall describe the processes to identify what action is needed and appropriate in response to a particular actual or potential negative impact on its own workforce.	**39.** North Media's HR department has a standard procedure for investigating incidents that includes evaluating and deciding which measures are needed and appropriate as a reaction to a particular adverse impact in this situation. This happens in close collaboration with the Executive Board and the responsible managers.

Specific reporting requirements under the DR	Response
40. (a) what action is planned or underway to mitigate material risks arising from impacts and dependencies on own workforce and how it tracks effectiveness in practice (b) what action is planned or underway to pursue material opportunities in relation to own workforce.	**40.** All the initiatives and actions below are developed and implemented based on the risks and opporrtunities North Media has identified in relation to own workforce. *See more under ESRS 2 SMB-3 point 14 d).* North Media works actively on motivating the young deliverers, and has developed attractive benefits, including introducing a points system where the young deliverers earn points in addition to their usual wages, and are also rewarded when they make an extra effort. Deliverers can later spend these points in FK Distribution's digital gift shop. A seniority supplement is also paid to young delivers. The seniority supplement is earned as the experience of the deliverer grows and is paid to reward loyal deliverers who persevere and whose quality of delivery is good and stable. North Media also takes active responsibility for increasing the talent pool that we recruit from by educating and training office trainees as well as recruiting and training hourly paid student assistants with the intention of offering permanent employment when the training programme or education is complete. Our aim is to offer at least 75% of trainees a permanent position at North Media. North Media believes in the importance of a good work-life balance. Success is not achieved by working a lot of hours, and managers in North Media therefore regularly follow up on the employee's perceived work burden, just as HR monitors that all employees take the holidays they are entitled to. The workforce's perception of this balance is therefore also investigated through a job satisfaction survey. 87.4% of the workforce replied that they were satisfied with their work-life balance in 2023. At North Media, no distinction is made with respect to age, gender or background, either when recruiting or in the day-to-day work, as North Media views diversity among the workforce as an important and natural element that contributes to a development-oriented work environment. Salaries and conditions at North Media reflect our workforce's competencies, responsibilities, experience and seniority. Fair pay is our workforce receiving equal pay for equal work. That is also why we work with established criteria for starting salaries across the companies in North Media based on the above criteria. North Media recognises the importance of actively opposing pay discrimination, including pay differences due solely to gender. In 2023, North Media calculated the gender pay gap for the first time. Based on the reported gender pay gap of 24%, an analysis of salary levels in North Media will be conducted in the coming year with particular emphasis on identifying any gender differences in comparable jobs. Should the analysis identify gender pay gaps that cannot be explained on the basis of competencies, responsibilities, experience or seniority, North Media will ensure that the pay gap is mitigated. This way, North Media will also be focused on fair pay for our own workforce going forward.
41. Disclose whether and how the company ensures that own practices do not cause or contribute to material negative impacts on own workforce, including, where relevant, its practices in relation to procurement, sales and data use. This may include disclosing what approach is taken when tensions arise between the prevention or mitigation of material negative impacts and other business pressures.	**41.** North Media places emphasis on creating a good working environment, both the physical and the psychological. Among other things, this involves having room for the individual and an acceptance of differences, and at the same time being able to work together in order to be able to constitute a good and strongly cohesive team. North Media has a number of policies to ensure this, including a employee management policy, an ill health policy, senority policy, a distribution handbook and an employee handbook. North Media also has a policy for IT and communication that applies to the entire workforce. One aim of the policy is to set limits between the company, the employee, and the private individual, including establishing rules for all work-related correspondence. Furthermore, North Media processes all personal details of the workforce in connection with normal personnel administration in accordance with applicable data privacy legislation. In addition, North Media's policies concerning own workforce emphasise how the impact is assessed, managed and remediated. The policies also describe where employees should report incidents if they experience specific impacts as well as the process for how incident reporting is handled. When addressing concrete incidents, the HR Department together with the immediate supervisor assess the specific situation with protection of the employee as paramount, regardless of whether the incident relates to for example discrimination of a deliverer, or abuse of a salaried employee.
42. When disclosing the information required under paragraph 40, consider ESRS 2 MDR-T Tracking effectiveness of policies and actions through targets if you set a target.	**42**. *See under S1-4, point 40* for targets and tracking of effectiveness.
43. Disclose what resources are allocated to the management of material impacts, with information that allows users to gain an understanding of how the material impacts are managed.	**43.** As no new measures or initiatives were implemented for own workforce in 2023, disclosing resources is not relevant for the current reporting year. North Media has budgets for 2024 that include new measures, systems and mechanisms related to own workforce. Several of the measures North Media intends for 2024 were prompted by our initial work with CSRD, which has provided deeper insight and a better understanding of which initiatives can strengthen and increasingly systematise the work with actual and potential impacts and risks for our own workforce..
S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
44. Disclose the time-bound and outcome-oriented targets you may have set related to: a) reducing negative impacts on own workforce b) advancing positive impacts on own workforce c) managing material risks and opportunities related to own workforce	N/A
45.Enable an understanding of the extent to which you are using outcome-oriented targets to drive and measure progress in addressing material negative impacts and/or advancing positive impacts on own workforce, and/or in managing material risks and opportunities related to own workforce.	N/A

Specific reporting requirements under the DR	Response
46. The summarised description of the targets set to manage material impacts, risks and opportunities related to your own workforce shall contain the information requirements defined in ESRS 2 MDR-T.	**46**. Results-based targets will be set from 2024, when North Media will be working ambitiously and focused on reducing adverse impacts, advancing positive, and mitigating identified risks. North Media tracks the effect of actions and initiatives through both quantitative and qualitative indicators, *see more under S1-4, points 38 and 40.*
47.Disclose the process for setting the targets, including whether and how you engaged directly with own workforce or workers' representatives in: a) setting any such targets b) tracking your performance against them c) identifying any lessons or improvements as a result your performance.	N/A

S1-6 - Characteristics of the undertaking's employees

48, 49, 50, 51 & 52:

a) The total number of employees by head count, and breakdowns by gender

b) The total number by head count or full time equivalent (FTE) of permanent employees, and breakdown by gender; temporary employees, and breakdown by gender; and non-guaranteed hours employees, and breakdown by gender.

c) The total number of employees who have left the company during the reporting period and the rate of employee turnover in the reporting period.

d) A description of the methodologies and assumptions used to compile the data, including whether the numbers are reported in head count or full-time equivalent (FTE) (including an explanation of how FTE is defined), at the end of the reporting period, as an average across the reporting period, or using another methodology.

48, 49, 50, 51 & 52. The figures in the table below are based on a 12-month average. Some data are calculated in FTE and others in Headcount. FTE is calculated as (Employees' weekly work hours / 5) / (37 or 34 / 5). The following employee categories are included in the data below: **Salaried** and **Production**.

Fastansatte funktionærer (månedsløn og timeløn) og fastansatte produktionsmedarbejde

***Temporary** employees omfatter medarbejdere, der er ansat for en fastsat afgrænset periode.

****Non-guaranteed** hours employees omfatter løsarbejdere i FK Distribution der er ansat fra dag til dag

Deliverers are not included in the characteristic of own workforce, because FK Distribution's roughly 10,000 deliverers are so materially distinct from the Group's other employees, and therefore have separate, standard and consistent personnel schemes and procedures, that comparing their data on pay gap, gender distribution, collective agreements, training and development, work-life balance and turnover rate would not be meaningful. Excluding the deliverers from the above metric is therefore assessed to provide the most true and fair picture of North Media.

	2023		2022		2021	
	Males	**Females**	**Males**	**Females**	**Males**	**Females**
Permanent employees(FTE)	243	162	246	161	237	153
Temporary employees(FTE)	0	3	0	2	0	2
Non-guaranteed hours employe-es (FTE)	11	2	16	3	18	2
Total number of employees (HC)	267	194	270	193	266	186
Employee turnover (Total headcount FTE)	41/405 (FTE)		48/407		35/390	
Employee turnover (Rate)	10%		12%		9%	

S1-7 - Characteristics of non-employee workers in the undertaking's own workforce

53, 54, 55, 56 & 57:

a) Disclosure of the total number of non-employees in the undertaking's own workforce, i.

b) An explanation of the methodologies and assumptions used to compile the data including whether the number of non-employees is reported in headcount or full-time equivalent (FTE) at the end of the reporting period, as an average across the reporting period or using another methodology.

53, 54, 55, 56 & 57. The figures in the table below are based on a 12-month period and is calculated in HC.

Non-employees are persons not directly employed by North Media but who are registered in the HR system, have been engaged for at least a year, and on average work at least 25 hours a week.

	2023	2022	2021
Total number of non-employees (HC)	17	-	-

S1-8 - Collective bargaining coverage and social dialogue

58, 59, 60, 61, 62 & 63:

(a) The percentage of total employees covered by collective bargaining agreements

58, 59, 60, 61, 62 & 63. (a) The figures in the table below are based on a 12-month average.

The following employee categories are included in the figures below: **Salaried** and **Production**.

The decrease in the share of employees covered by collective agreements from 2022 to 2023 is due to a reduction in the number of employees in the packing terminals in FK Distribution.

	2023	2022	2021
Percentage of total employees covered by collective bargaining agreements	19,9%	21,2%	21,4%

Specific reporting requirements under the DR	Response
(b) The global percentage of employees covered by workers` representatives, reported at the country level for each EEA country in which the undertaking has significant employment	(b) **Alle** medarbejdere er repræsenteret af medarbejderrepræsentanter.

	2023	2022	2021
Percentage of total employees covered by workers representatives	100%	100%	100%

S1-9 Diversity metrics

Specific reporting requirements under the DR	Response
64, 65 & 66: (a) The gender distribution in number and percentage at top management level (b) The distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old.	**64, 65 & 66.** T igures in the table below are given as the number of HC and are calculated with the end of December. The following employee categories are included in the figures below: **Salaried** and **Production**. The change in the gender composition of North Media's top management from 2021 to 2023 is due to the establishment of a Group Management with 4 directors from 2022 onwards.

	2023	2022	2021
Gender distribution in top management (number)	1/4	1/3	0/1
Gender distribution in top management (percentage)	25% Female 75% Male	33% Female 67% Male	0% Female 100% Male
Employees >50 years (HC)	127	120	120
Employees 30-49 years (HC)	230	213	217
Employees <30 years (HC)	123	125	133
Percentage of total employees covered by workers representatives	100%	-	-

S1-10 - Adequate wages

Specific reporting requirements under the DR	Response
67, 68, 69, 70 & 71: Disclose whether all employees are paid an adequate wage, in line with applicable benchmarks. If so, stating this will be sufficient to fulfil this disclosure requirement and no further information is needed.	**67, 68, 69, 70 & 71.** The following employee categories are included in the description below: **Salaried** and **Production**. Employees receive an appropriate level of pay in line with applicable benchmarks and relevant collective agreements. Note that the hourly wage for the production workers is higher than the hourly wage rates in 3F's general collective agreement . **Deliverers** are paid in accordance with a time-based piece rate model, where the pay varies in relation to the route's character and length as well as the number of advertising leaflets and local newspapers to be distributed that week. This means wages vary from week to week. The hourly pay rate for deliverers is comparable to the hourly rate for similar work. Deliverers also receive a seniority supplement based on experience. The seniority supplement rises as experience increases and is maintained for the entire period of employment.

S1-11 - Social protection

Specific reporting requirements under the DR	Response
72, 73, 74 75 & 76: Disclose whether all employees are covered by social protection, through public programs or through benefits offered by North Media, against loss of income due to any of the following major life events: (a) sickness; (b) unemployment starting from when the own worker is working for the undertaking; (d) parental leave; and (e) retirement. If so, stating this is sufficient to fulfil this disclosure requirement and no further information is needed. (c) employment injury and acquired disability; (d) parental leave; and (e) retirement. If so, stating this is sufficient to fulfil this disclosure requirement and no further information is needed.	**72, 73, 74 75 & 76.** All employees at North Media are insured either by North Media or the state against loss of income due to sickness, unemployment, work-related accidents and invalidity, parental leave and retirement..

S1-12- Persons with disabilities

Specific reporting requirements under the DR	Response
77, 78, 79 & 80: Subject to legal restriction on the data collection	**77, 78, 79 & 80.** This is subject to Danish legal limitations concerning the collection of data on persons with a disability. North Media is aware of and respects applicable statutes, rules and regulations governing data privacy and the processing of personal details for persons with a disability in Denmark.

Specific reporting requirements under the DR	Response

	2023	2022	2021
Percentage of employees with disabilities	N/A	N/A	N/A

S1-13 - Training and skills development metrics

81, 82, 83, 84 & 85:

(a) % of employees that participated in performance and career development (broken down by employee category and gender)

(b) Average number of training hours per employee and by gender

81, 82, 83, 84 & 85. (a) og (b) The figures in the table below are based on a 12-month average, using HC. The following employee categories are included in the figures below: **Salaried** and **Production**.

Employees in the company actively participate in regular reviews of their performance and career development, and the percentages disclose the share of employees in North Media who actively participate in regular reviews of their performance and career development, including 1-2-1 appraisal interviews and annual development and well-being interviews.

The average number of training hours that each employee has participated in during a reporting year will be reported for the first time for financial year 2024 based on a newly introduced registration system for training. Training is either internal training, such as courses, induction training and workshops, or external training, including education programmes, courses, webinars, talks, etc..

	2023		2022		2021	
	Males	Females	Males	Females	Males	Females
Percentage of employees participating in regular performance and career development reviews	100%	100%	100%	100%	100%	100%
Average number of training hours	Reported as from the financial year 2024	Reported as from the financial year 2024	Not earlier reported-	Not earlier reported	Not earlier reported	Not earlier reported-

S1-14 - Health and safety metrics

86, 87, 88, 89 & 90:

(a) % of workers who are covered by company health and safety management system (legal requirements or recognized standards)

(b) # of fatalities as result of work-related injuries/ill health

(c) # and rate of recordable accidents

d) # of cases of recordable work-related ill health (subject to legal restrictions on the collection of data)

e) # of days lost due to injuries and fatalities from accidents/ill health

86, 87, 88, 89 & 90. The figures in the table below are based on a 12-month period. At the bottom of the table, it is indicated whether the figure is calculated in HC or FTE, as shown in the table.

All employees are covered by the Danish healthcare system, health insurance and workers' compensation.

The following employee categories are included in the figures below: **Salaried**, **Production** and **Deliverers**.

In accordance with prevailing Danish legislation, this is subject to legal limitations concerning the collection of reasons for sickness. North Media reports cases of stress in accordance with prevailing legislation, reporting this under cases of work-related accidents.

	2023	2022	2021
Percentage of employees covered by health and safety management system (HC)	100%	100%	100%
Number of work-related fatalities (HC)	0	0	0
Number of recordable work accidents (HC)	White collar: 1 Production: 1 Distributor: 11	White collar: 0 Production: 6 Distributor: 20	White collar: 1 Production: 1 Distributor: 16
Rate of recordable work accidents (FTE)	7 accidents per million hours worked	13 accidents per million hours worked	10 accidents per million hours worked
Number of work-related ill-health (HC)	Stress is reported at the same level with all other work-related injuries	Stress is reported at the same level with all other work-related injuries	Stress is reported at the same level with all other work-related injuries
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	White collar: 27 Production: 97 Distributor: N/A*	White collar: 0 Production: 141 Distributor: N/A*	White collar: 23 Production: 8 Distributor: N/A*

* Deliverers' sick days are not systematically registered, as no wages are paid during sickness absence. Deliverers have the option of applying for sickness benefit directly from their local municipal authority.

Specific reporting requirements under the DR	Response

S1-15 - Work-life balance metrics

91, 92, 93 & 94:

a) % of employees entitled to take family-related leaves (If all employees are entitled to family-related leave through social policy and/or collective bargaining agreements, it is sufficient to disclose this in order to meet this requirement)

b) % of entitled employees that took the leave (broken down by gender) Family-related leave include: maternity leave, paternity leave, parental leave, and carers' leave)

91, 92, 93 & 94. The figures in the table below are based on a 12-month period.

The following employee categories are included in the figures below: **Salaried** and **Production**.

All employees have the right to leave for family-related reasons. All who had a right to family-related leave and applied for it in 2023 has held it

	2023		2022		2021	
	Males	Females	Males	Females	Males	Females
Percentage of entitled employees who took family-related leave (HC)	White collar: 13 Production: 8 100%	White collar: 13 Production: 0 100%	N/A - Due to GDPR, we do not save refund information	N/A - Due to GDPR, we do not save refund information	N/A - Due to GDPR, we do not save refund information	N/A - Due to GDPR, we do not save refund information
Percentage of total employees entitled to family-related leave	100%		100%		100%	

S1-16 - Remuneration metrics (pay gap and total remuneration)

95, 96, 97, 98 & 99

(a) The gender pay gap, defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees

(b) The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual)

95, 96, 97, 98 & 99. The figure is calculated on the basis of the number of HC and is calculated for the month of October 2024

The following employee categories are included in the figures below: **Salaried** and **Production**.

Hourly paid employees are excluded from the data below, as hourly pay rates are fixed regardless of gender.

The increase in the gender pay gap from 2022 to 2023 is due to the fact that in 2023 many new employees was hired in specialised positions (IT developers and BI specialists), which predominantly attracted male applicants.

	2023	2022	2021
Gender pay gap	25%	18%	20%
Annual total remuneration ratio	9.7	8.5	10.2

S1-17 - Incidents, complaints and severe human rights impacts

100, 101, 102, 103 & 104

(a) Total # of discrimination/harrasment incidents

(b) # of complaints through channels for own workforce

(c) The total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above

(d) # of severe human rights incidents connected to the undertaking's workforce in the reporting period

(e) The total amount of fines, penalties and compensation for damages for the incidents described above

100, 101, 102, 103 & 104. The figures in the table below are based on a 12-month period, and is indicated in the number of personnel cases

The following employee categories are included in the figures below: **Salaried**, **Production** and **Deliverers**.

Number of personnel cases handled by HR.

	2023	2022	2021
Total number of incidents of discrimination or harassment	3	N/A	N/A
Number of complaints filed through channels for own workforce	5	N/A	N/A
Total amount of fines, penalties, and compensation as a result of the incidents and complaints disclosed above	0	N/A	N/A
Number of severe human rights incidents	0	N/A	N/A
total amount of fines, penalties and compensation for damages for the incidents described above	0	N/A	N/A

Financial statements

Statement by Management on the Annual Report

The Board of Directors and the Executive Board have today considered and approved the Annual Report of North Media A/S for the financial year 1 January to 31 December 2023.

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2023 and of their financial performance and the Group's cash flows for the financial year 1 January to 31 December 2023. It is our opinion that the group's ESG data has been prepared in accordance with the accounting practices used for ESG data and provides a fair and balanced picture of the organisation's sustainability results.

We believe that the management commentary contains a fair review of the developments in the Group's and the Parent's activities and finances, performance for the year and the Parent's financial position, and of the financial position as a whole for the entities included in the consolidated financial statements as well as a description of the most material risks and uncertainties facing the Group and the Parent.

In connection with digital filing under the ESEF regulation, in our opinion, the annual report for the financial year ended 31 December 2023, with the file name NORTHM-2023-12-31-da.zip, has been pre-pared in all material respects in compliance with the ESEF regulation.

We recommend the Annual Report for adoption at the Annual General Meeting.

Søborg 29 February 2024

Executive Board

Lasse Ingemann Brodt
Group CEO

Kåre Stausø Wigh
Group CFO

Lisbeth Britt Larsen
Group CHRO

Martin Frandsen Tobberup
Group CDO

Board of Directors

Ole Elverdam Borch
Chairman

Richard Gustav Bunck
Vice-Chairman

Ulrik Holsted-Sandgreen

Ulrik Falkner Thagesen

Ann-Sofie Østberg Bjergby

Adoption

As presented and adopted at the Annual General Meeting of shareholders on 12 April 2024.

As chairman of the meeting:

Independent auditor's limited assurance report on selected ESG data

To the stakeholders of North Media A/S

North Media A/S engaged us to provide limited assurance on selected ESG data stated in the Management Review of the 2023 Annual Report for the period 1 January - 31 December 2023.

Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us to believe that the selected ESG data in the Management Review of the 2023 Annual Report of North Media A/S are not prepared, in all material respects, in accordance with the applied accounting policies developed by Management of North Media A/S as stated on pages 86-88.

This conclusion is to be read in the context of what we state in the remainder of our report.

What we are assuring

The scope of our work was limited to assurance over the selected ESG data in tables marked with in the 2023 Annual Report of North Media A/S.

We express limited assurance in our conclusion.

Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements'. The quantification of greenhouse gas emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine the emissions factors and the values needed to combine emissions of different gasses.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent multidisciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The sustainability performance data need to be read and understood together with the accounting policies, which Management is solely responsible for selecting and applying.

The absence of a significant body of established practice on which to draw to evaluate and measure sustainability performance data allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement of the selected ESG data. In doing so and based on our professional judgement, we:

- Through inquiries and interviews with data responsibles at Group level evaluated processes for consolidation, use of systems and ESG data controlling at Group level;
- Tested samples of ESG data in scope of assurance to underlying documentation and assessed the adequacy of reporting processes and alignment with applied accounting policies;
- Performed analytical review of the selected ESG data and stated explanations for developments;
- Reviewed the consolidated, selected ESG data and the presentation hereof in the Management Review of the 2023 Annual Report, and
- Evaluated the obtained evidence

Management's responsibilities

Management of North Media A/S is responsible for:

- Designing, implementing and maintaining internal control over information relevant to the preparation of the selected ESG data that are free from material misstatement, whether due to fraud or error;
- Establishing objective accounting policies for preparing the selected ESG data;
- Measuring and reporting the information in the selected ESG data based on the accounting policies; and
- The content of the selected ESG data in the Management Review of the 2023 Annual Report.

Our responsibility

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the selected ESG data for the period 1 January - 31 December 2023 are prepared, in all material respects, in accordance with the accounting policies;
- Forming an independent conclusion, based on the procedures performed and the evidence obtained; and
- Reporting our conclusion to the stakeholders of North Media A/S.

Hellerup, den 29. februar 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 3377 1231

Leif Ulbæk Jensen
State Authorised Public Accountant

Jens Pultz Pedersen
M.Sc.

Independent Auditor's Reports

To the shareholders of North Media A/S

Report on the audit of the Financial Statements

Our opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2023 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2023 and of the results of the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Consolidated Financial Statements of North Media A/S for the financial year 1 January to 31 December 2023 comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes, including summary of significant accounting policies.

The Parent Company Financial Statements of North Media A/S for the financial year 1 January to 31 December 2023 comprise the income statement, the balance sheet, the statement of changes in equity and the notes, including significant accounting policies. Collectively referred to as 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of North Media A/S on 29 March 2019 for the financial year 2019. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of five years including the financial year 2023.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2023. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Revenue recognition

Revenue in the Group comprises revenues primarily from the distribution of printed advertising matters and newspapers.

Revenue is recognised when the control of the individual delivery obligations is transferred to the customers. Revenue is measured at the present value of the consideration agreed.

The different types of revenue and the revenue recognition depends on complex IT systems, the integration between them and data collection.

We focused on this area, because errors in data that form the basis for revenue recognition, weaknesses in IT systems or lack of controls that ensure correct data creates a risk of errors in revenue recognition.

See notes 5 and 23 in the Consolidated Financial Statements.

How our audit addressed the key audit matter

We assessed the Group's accounting policies, hereunder whether this was in accordance with IFRS 15.

We performed risk assessment activities to gain an understanding of IT systems, business processes and relevant controls relating to revenue recognition. For the controls, we assessed whether they were designed and implemented to effectively address the risk of material misstatement. For selected controls that we planned to rely on, we tested whether they were performed on a consistent basis, including controls in IT systems, controlling and verification of revenue transactions.

We performed data analysis, among other things, with use in identifying and assessing any atypical transactions recognised as revenue.

We performed substantive audit procedures of revenue transactions and significant contracts to assess existence, accuracy and cut-off for recognition of revenue.

Key audit matter

Acquisition

The Group acquired in 2023 the shares in SDR Svensk Direktreklam AB and EGRO Konsult AB (collectively "SDR") in a combined transaction.

The Group has prepared a preliminary purchase price allocation ('PPA') resulting in various assets and liabilities being separately valued.

The significant judgements and estimates involved in the PPA mainly related to assessing the fair value of customer relationships, brands and software.

We focused on the PPA because it involves the identification of the acquired assets and liabilities and their respective fair values, which requires complex and subjective judgements and estimates by Management, which are material for the Financial Statements.

Reference is made to note 4 and 36 in the Consolidated Financial Statements.

How our audit addressed the key audit matter

As part of our audit, we assessed whether the model and methodology applied by Management to perform the fair value assessment of the various assets and liabilities was reasonable.

We assessed and challenged the fair value assessment of the various assets and liabilities in the opening balance prepared by Management.

We challenged the model and methodology applied for the fair value assessment of customer relationships, brands and software, including assessment of the significant assumptions used in the valuation, especially the useful life assessment of customer relationships, brands and software.

We tested the calculations made in the PPA model.

We involved our internal valuation experts in assessing the valuation methodologies and the discount rates used by management.

Finally, we assessed the disclosures relating to business combinations in note 4 and 36 in the Consolidated Financial Statements.

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 in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation).

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act and the disclosure requirements of Article 8 Regulation (EU) 2020/852 (EU Taxonomy Regulation). We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the

EU and further requirements in the Danish Financial Statements Act and for the preparation of parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

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

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

- Evaluate the overall presentation, structure and content 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the Financial Statements we performed procedures to express an opinion on whether the annual report of North Media A/S for the financial year 1 January to 31 December 2023 with the filename NORTHM-2023-12-31-da.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;

- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;

- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human-readable format; and

- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;

- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;

- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;

- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;

- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and

- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements

In our opinion, the annual report of North Media A/S for the financial year 1 January to 31 December 2023 with the file name NORTHM-2023-12-31-da.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Hellerup, 29 February 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-nr. 3377 1231

Leif Ulbæk Jensen
State Authorised Public Accountant
mne23327

Jakob Thisted Binder
State Authorised Public Accountant
mne42816

Consolidated statement of comprehensive income

DKKm	Note	2023	2022
Revenue	5, 23, 37	949.1	995.3
Direct costs	17, 37	252.2	252.7
Direct staff costs	6, 37	158.6	179.7
Gross profit		538.3	562.9
Staff costs	6, 7, 37	243.5	226.0
Other external costs	8, 37	125.2	126.5
Amortisation, depreciation and impairments losses etc.	9, 15, 37	27.0	27.7
Other operating income	37	7.3	8.8
Operating profit (EBIT)		149.9	191.5
Share of profit/loss in associates	16	2.6	7.4
Return on securities	10	189.3	-194.2
Financial income	11	3.6	1.4
Financial costs	11	-5.3	-4.7
Profit/loss before tax		340.1	1.4
Tax on profit/loss for the year	12	-75.7	0.7
Net profit for the year		264.4	2.1
Attributable, net profit/loss			
Shareholders in North Media A/S		264.4	2.1
		264.4	2.1
Earnings per share, in DKK	13		
Earnings per share (EPS) - total		14.3	0.1
Diluted earnings per share (EPS-D) - total		14.3	0.1
Earnings per share excluding return on securities (EPS-adj)		6.3	8.3

DKKm	Note	2023	2022
Net profit for the year		264.4	2.1
Financial statement items that may later be reclassified to the income statement:			
Translation adjustments, foreign companies		-0.3	0.0
Other comprehensive income		-0.3	0.0
Comprehensive income		264.1	2.1
Attributable, comprehensive income			
Shareholders in North Media A/S		264.1	2.1
		264.1	2.1

Consolidated balance sheet

Assets

DKKm	Note	2023	2022
Goodwill		146.4	40.0
Customer relations		142.8	0.0
Other intangible assets		26.1	7.7
Software		18.2	4.0
Intangible assets	15	333.5	51.7
Land and buildings		264.2	235.8
Investment property		16.3	16.8
Plant and machinery		24.4	25.0
Operating equipment, fixtures and fittings		17.2	9.3
Property, plant and equipment	15	322.1	286.9
Investments in associates	16	12.1	14.5
Other securities and investments		5.7	4.2
Deferred tax asset	20	0.0	10.4
Other receivables		0.6	1.3
Other non-current assets		18.4	30.4
Total non-current assets		674.0	369.0
Inventories	17	6.0	5.8
Trade receivables	18	84.2	55.2
Other receivables		13.8	1.3
Prepayments		22.1	15.7
Securities		652.4	577.5
Cash at bank and in hand		160.4	186.8
Total current assets		938.9	842.3
Total assets		1,612.9	1,211.3

Equity and liabilities

DKKm	Note	2023	2022
Share capital	21	100.3	100.3
Reserve, translation adjustments		-0.3	0.0
Retained earnings		1,056.4	895.1
Total equity		1,156.4	995.4
Deferred tax	20	37.4	0.0
Financial institutions	22, 28	103.7	108.6
Purchase price payable	29	20.3	0.0
Lease debt	28, 30	31.1	1.9
Total non-current liabilities		192.5	110.5
Financial institutions	22, 28	4.9	4.8
Lease debt	28, 30	14.6	3.4
Purchase price payable	29	9.6	0.0
Trade payables		66.0	30.9
Income tax payable	19	26.2	10.3
Contract liabilities	23	7.1	7.1
Other payables	24	135.6	48.9
Total current liabilities		264.0	105.4
Total liabilities		456.5	215.9
Total equity and liabilities		1,612.9	1,211.3

Consolidated statement of changes in equity

DKKm	Share capital	Reserve, translation adjustments	Retained earnings	Total equity
Equity 1 January 2022	100.3	-2.9	982.6	1,080.0
Change in equity 2022				
Net profit for the year	0.0	0.0	2.1	2.1
Translation adjustments, foreign companies	0.0	2.9	-2.9	0.0
Other comprehensive income after tax	0.0	2.9	-2.9	0.0
Total comprehensive income	0.0	2.9	-0.8	2.1
Tax on options	0.0	0.0	-4.9	-4.9
Sale of treasury shares	0.0	0.0	10.1	10.1
Share-based payment	0.0	0.0	0.2	0.2
Dividend paid	0.0	0.0	-100.3	-100.3
Dividend on treasury shares	0.0	0.0	8.2	8.2
Total changes in equity in 2022	0.0	2.9	-87.5	-84.6
Equity at 31 December 2022	100.3	0.0	895.1	995.4
Change in equity 2023				
Net profit for the year	0.0	0.0	264.4	264.4
Translation adjustments, foreign companies	0.0	-0.3	0.0	-0.3
Other comprehensive income after tax	0.0	-0.3	0.0	-0.3
Total comprehensive income	0.0	-0.3	264.4	264.1
Tax on options	0.0	0.0	0.3	0.3
Purchase of treasury shares	0.0	0.0	-36.1	-36.1
Sale of treasury shares	0.0	0.0	6.8	6.8
Share-based payment	0.0	0.0	0.1	0.1
Dividend paid	0.0	0.0	-80.2	-80.2
Dividend on treasury shares	0.0	0.0	6.0	6.0
Total changes in equity in 2023	0.0	-0.3	161.3	161.0
Equity at 31 December 2023	100.3	-0.3	1,056.4	1,156.4

Consolidated cash flow statement

DKKm	Note	2023	2022
Net profit for the year		264.4	2.1
Adjustments for non-cash items etc.	25	-87.3	217.5
Changes in working capital	26	-4.6	-26.2
Cash flow from operating activities before net financials		172.5	193.4
Interest received		3.6	1.2
Interest paid		-5.3	-4.7
Cash flow from ordinary activities before tax		170.8	189.9
Income tax paid	12	-44.7	1.4
Cash flow from operating activities, total		126.1	191.3
Investments in intangible assets and PP&E	27	-11.9	-20.2
Sale of property, plant and equipment		0.2	0.0
Dividend from associates	16	5.0	1.0
Investment in securities		-123.9	-61.9
Divestment of securities		232.1	37.4
Dividend from securities	10	6.1	5.9
Purchase of subsidiary	36	-146.3	-4.0
Investments in other non-current assets		-1.5	-1.9
Sale of other non-current assets		0.0	-0.1
Cash flow from investing activities, total		-40.2	-43.8
Repayment of non-current liabilities	28	-8.7	-8.4
Purchase of treasury shares	21	-36.1	0.0
Sale of treasury shares	21	6.8	10.1
Dividend paid	14	-74.3	-92.1
Cash flow from financing activities, total		-112.3	-90.4
Total cash flows' for the year		-26.4	57.1
Cash and cash equivalents beginning of period		186.8	129.7
Cash and cash equivalents at 31 December		160.4	186.8

Notes to the consolidated financial statement

Accounting policies

Consolidated income statement

Consolidated balance sheet

Consolidated cash flow statement

Other information

Note 1 Basis of accounting

The consolidated financial statements have been prepared in accordance with International IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports for listed companies and the Danish Executive Order on Adoption of IFRSs issued in accordance with the Danish Financial Statements Act.

The income statement is presented in the vertical format classified by type of expenditure, albeit so that the share of the staff costs directly spent on the supply of the Group's products is recognised in the contribution margin.

In addition, accounting policies are un-changed compared with 2022.

New and revised standards and interpretations

North Media has implemented all new or revised IFRS and interpretations as adopted by the EU, and which are effective for financial years beginning on 1 January 2023.

Standards and Interpretations that have not yet become effective

At the time of publication of this Annual Report a number of new or amended standards and interpretations are available and approved by IASB. None of these, however, are considered to have significant impact on North Media's financial statements.

Presentation currency

The Annual Report is presented in Danish kroner.

Note 2 Accounting policies

Consolidated financial statements

The consolidated financial statements comprise the Parent, North Media A/S, and the subsidiaries in which North Media A/S exercises control through a controlling interest. Control exists where North Media A/S owns or holds, directly or indirectly, more than 50% of the voting rights or otherwise exercises control over the enterprise concerned. Enterprises, in which the Group holds between 20% and 50% of the voting rights and exercises a significant, but not controlling influence, are considered associates.

The consolidated financial statements are prepared by consolidating the financial statements of the Parent and the relevant subsidiaries, all of which are presented in accordance with the Group's accounting policies. All intragroup items, including revenue, expenses, interest, dividends, unrealised gains and losses on intra group transactions as well as balances and investments, are eliminated for the purpose of consolidation.

The proportionate share of the fair value of the subsidiary's identifiable net assets and recognised contingent liabilities offsets in-vestments in subsidiaries at the time of acquisition.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the date of acquisition or establishment. Comparatives are not restated for enterprises newly acquired, sold or discontinued, unless sold or discontinued enterprises qualify under IFRS 5 as discontinued activities. Acquisitions of new enterprises which give the Parent control over the enterprise acquired are accounted for by applying the purchase method, according to which the identifiable assets, liabilities and contingent liabilities of the acquired enterprises are measured at fair value at the time of acquisition. Identifiable intangible assets are recognised if they can be separated from or arise from a contractual right. Deferred tax is recognised on the revaluations made.

Positive differences (goodwill) between the cost of the acquisition and the fair value of the identifiable assets, liabilities and contingent liabilities acquired are recognised as goodwill under intangible assets. Goodwill is not amortised but is tested for impairment. The first impairment test is carried out before the end of the year of acquisition. On acquisition, goodwill is allocated to the cash-generating units which subsequently provide the basis for the impairment test. Negative differences (negative goodwill) are recognised in the income statement at the time of acquisition.

Profits or losses from divestment or winding up of subsidiaries and associates are calculated as the difference between selling price plus fair value of any equity interests held or settlement price and the carrying amount of net assets, including goodwill, at the time of sale plus divestment or winding-up expenses.

Note 2 Accounting policies (continued)

Currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currency which have not been settled at the balance sheet date are translated at the closing rate. Differences between the closing rate and the exchange rate at the time when the receivable or payable has occurred or is recognised in the latest financial statements are recognised in the income statement under financial income and expenses.

On recognition of foreign subsidiaries and associates in the consolidated financial statements using a functional currency different from the presentation currency of the Group, the income statement is translated at the average exchange rate for each month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Exchange differences arising from the translation of the opening equity of foreign group enterprises at closing rates and exchange differences from the translation of income statements from average rates to closing rates are taken directly to other comprehensive income and are taken to a separate reserve in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value in the balance sheet and subsequently measured at fair value and are recognised as other receivables and other payables.

Fair value adjustments of derivative financial instruments classified as hedges of expected future cash flows are recognised in other comprehensive income and are included in equity under a separate hedging reserve until the hedge transaction is carried through.

Statement of comprehensive income

Revenue

Revenue comprises income from the Group's four segments for goods and services rendered. Revenue is recognised when control of each identifiable performance obligation passes to the customer and measured at present value of the consideration agreed net of VAT, cash discounts and quantity discounts.

Revenue from the FK Distribution segment arises from the distribution of door-to-door distribution of newspapers and printed matter as well as the packing of printed matter for external distribution companies. Revenue is recognised at the time of distribution.

BoligPortal's revenue consists of subscription income and user fees, as well as income from the use of various SaaS solutions.

Ofir revenue comprises job- and banner ads as well as sales of software for classified advertisement databases, including in particular job databases.

Revenue from subscriptions is recognised over time concurrently with the subscription period whereas income from advertisements is recognised upon delivery.

Bekey's revenue arises from the sale of digital access systems. Revenue from physical goods is recognised when such goods have been installed whereas related payment of subscriptions for using the administration system is recognised over the term of the contract.

The terms of payment of the Group's sales contracts with customers depend partly on the underlying performance obligation and partly on the underlying customer relationship, although typically the terms of payment will be between 14 and 30 days, alternatively invoice month + 30 days.

Direct costs

Direct costs include expenses incurred to generate revenue for the year. The costs included are external distribution, distribution services, excluding direct staff costs and Google costs that may be attributed directly to revenue generating activities. Direct costs are recognised at the same time as the associated revenue.

Direct staff costs

Direct staff costs include costs of staff in functions performed directly to generate the year's revenue, including distribution pay and payroll costs of warehouse and other production functions.

Staff costs

Staff costs include wages and salaries as well as social security costs, pensions etc. for the Company's staff in production, management, sales and administrative functions.

Other external costs

Other external costs include costs of sale, advertising, administration, premises, bad debts etc. Costs relating to development projects which do not qualify for recognition in the balance sheet are recognised under other external expenses.

Amortisation, depreciation and impairment

Amortisation, depreciation and impairment comprise amortisation of intangible assets and depreciation of property, plant and machinery over the expected useful life of the individual asset. Profit/loss from the sale or retirement of intangible assets and property, plant and equipment are calculated as the selling price less selling expenses and the carrying amount at the time of sale.

Note 2 Accounting policies (continued)

Other operating income
Other operating income includes items of a secondary nature relative to the activities of the enterprises.

Share option programme
The value of options granted in relation to the Group's share option programme is measured at the fair value of the options at the grant date.

The Group's share option programme can solely be exercised by acquiring shares in North Media A/S, and is therefore classified as an equity programme, whereby the determined fair value of the granted share options is recognised in the income statement under staff costs over the period in which the final right to the options vests. The contra entry is carried directly to equity.

On initial recognition of the share options, an estimate is made of the number of options to which the employees are expected to acquire a right, see the granting conditions described in Note 7. Subsequently, adjustments are made for changes in the estimate of the number of vested options so that the total recognition is based on the actual number of vested options.

The fair value of the options granted is estimated by using the Black Scholes pricing model. In this estimate, allowance is made for the terms and conditions that apply to the share options granted.

Return on securities
This item includes realised and unrealised gains or losses from the portfolio of securities as well as income received in the form of dividends, interest etc.

Share of profits/losses in associates
The proportionate shares of the net profits/losses in associates are included in the consolidated income statement after elimination of the proportionate shares of unrealised intra-group gains/losses.

Financial income and expenses
Financial income and expenses relate to interest rates, debt and transactions in foreign currency, and additions and allowances pursuant to the Danish tax prepayment scheme etc.

The item also contains fair value adjustments of other investments.

Borrowing costs are amortised over the term of the loan.

Tax on profit/loss for the year
North Media A/S participates in a joint taxation arrangement. The current Danish income tax is allocated among the jointly taxed Danish companies in proportion to their taxable income (full allocation with refunds for losses). The jointly taxed companies are covered by the tax prepayment scheme.

Tax for the year, which consists of current tax and changes in the computed deferred tax, is recognised in the income statement by the portion that relates to the net profit or loss for the year and directly in the statement of comprehensive income by the portion that relates to other comprehensive income.

Balance sheet

Goodwill
Initially, goodwill is recognised in the balance sheet at cost as described under 'Business combinations'. Subsequent measurements are at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the time of acquisition. The definition of cash-generating units follows the management structure and the internal financial management policy.

The carrying amount of goodwill is tested for impairment if there are any indications of impairment, but at least on a yearly basis. The impairment test is carried out for all operating assets taken together in the cash-generating unit to which goodwill is allocated. Goodwill is written down to the lower of the carrying amount and the recoverable amount of the cash-generating unit to which goodwill relates. Goodwill impairment is presented in the income statement under "Amortisation, depreciation and impairment".

Development projects, software
Development costs comprise costs and salaries that are directly attributable to the Group's development activities, primarily development of software for the Group's online activities. Development projects that are clearly defined and identifiable and in respect of which the technical rate of utilisation, sufficient resources and a potential future market or development potential in the enterprise can be demonstrated and where the intention is to produce, market or use the project, are recognised as intangible assets provided that cost can be determined reliably and it is sufficiently certain that future earnings will be adequate to cover the production, sales and administrative expenses and actual development costs. Other development costs are expensed in the income statement as incurred.

Capitalised development projects are measured at cost net of accumulated amortisation and impairment losses.

After completion of the development work, a development project is amortised on a straight-line basis over its estimated useful life. The period of amortisation for software is usually 3 years.

Other intangible assets
Other intangible assets include distribution rights, trademarks and customer relations taken over in connection with acquisitions. For some of these assets, the Group cannot forecast a limit in the period in which the assets are expected to generate future economic benefits to the Group. In these cases, the lives of the assets are therefore deemed indefinite, for which reason they are not

Note 2 Accounting policies (continued)

amortised. Other intangible assets the lives of which are deemed definite are amortised over their expected useful lives.

Other intangible assets are amortised on a straight-line basis over their estimated useful lives of 10 years. The basis of amortisation is reduced by any impairment losses. Any impairment loss on other intangible assets is included in the item "Amortisation, depreciation and impairment" in the income statement.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes cost and xpenses directly related to the acquisition until the asset is ready for use. Where parts of an item of property, plant and equipment have different useful lives, they are depreciated as separate items of property, plant and equipment.

The cost of properties includes the cash cost of acquisition for land and buildings and the aggregate building and/or refurbishment expenses.

The assets are depreciated on a straight-line basis over the expected useful lives based on the following assessment of the expected useful lives of the assets:

Leasehold improvements	5 yrs
Owner-occupied property	50 yrs
Mixed land, property and buildings	20-35 yrs
Plant and machinery	5-10 yrs
Other fixtures and fittings, tools and equipment	3-5 yrs
Investment property	35 yrs

Land is not depreciated.

Depreciation is expensed in the income statement under "Amortisation and depreciation".

The basis of depreciation is calculated allowing for the asset's scrap value and is reduced by any impairment losses. The scrap value is fixed at the time of acquisition and is reconsidered every year. If the scrap value exceeds the asset's carrying amount, no further depreciation will be made.

If the period of depreciation or the scrap value is changed, the impact on depreciation will be recognised prospectively as a change of accounting estimates.

Lease assets

Leases are recognised in the balance sheet at the value of the calculated lease liability. The lease liability is measured as the present value of lease payments calculated using the rate of interest implicit in the lease, or the company's marginal borrowing rate as a discount rate if the rate of interest implicit in the lease cannot be determined. Lease assets are depreciated in accordance with the accounting policy for the Company's other non-current assets.

The Company applies the exemptions relating to short-term leases and leases of low value. Accordingly, such lease assets are not recognised as assets or liabilities in the balance sheet. The lease liability relating to short-term leases and leases of low value is disclosed in a note to the financial statements. Expenses are recognised in the income statement on a straight-line basis over the term of the lease.

The lease liability is recognised in the balance sheet as a liability and adjusted on a current basis to reflect lease payments made. Similarly, the liability is increased to reflect interest on the lease. Interest expenses are recognised in the income statement on a current basis.

Investments in associates

Investments in associates are measured according to the equity method.

The purchase method is used with respect to acquiring investments in associates; see the description of business combinations.

Investments in associates are measured in the balance sheet at the proportionate share of the equity value of the associates less or plus a proportionate share of unrealised intragroup profits and losses plus the carrying amount of goodwill.

Any receivables from associates are written down to the extent that the receivable is found to be irrecoverable.

Inventories

Inventories are measured at the lower of cost using the FIFO method or net realisable value. The cost of goods for resale, raw materials and consumables consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct and indirect labour costs as well as production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, which will in most cases be equivalent to nominal value net of impairment losses. The Group has only insignificant losses on debtors, as a large part of the revenue is either prepaid or credit insurance is arranged.

Prepayments (assets)

Prepayments include expenses related to subsequent reporting periods.

Securities

Securities, which are regularly monitored, are measured and reported at fair value in accordance with the Group's policy for in-vestments, recognised on the trading date at cost in current assets and subsequently measured at fair value. Fair value changes are recognised on a continuing basis in the income statement in the line "Return on securities".

Note 2 Accounting policies (continued)

Other investments
Other investments include investments in other enterprises as part of the Group's business operations, and which are not classified as subsidiaries or associates. Other investments are presented as non-current assets and measured and reported at fair value. Fair value changes are recognised on a continuing basis in the income statement as financial income or financial expenses.

Impairment of non-current assets
North Media tests goodwill and other non-current assets for impairment if there are indications of impairment, at least on a yearly basis. Any impairment loss is recognised in the income statement under " Amortisation, depreciation and impairment". Correspondingly, ongoing projects are tested at least annually for impairment.

The carrying amount of intangible assets and property, plant and equipment with definite useful lives is reviewed on an annual basis to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the asset's fair value less expected selling costs and its value in use.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds the recoverable amount of the asset or the cash-generating unit.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the assumptions and estimates that led to recognition of the impairment loss. An impairment loss is reversed only to the extent that the asset's new carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Equity
Dividend
Proposed dividend is recognised as a liability when a resolution approving the dividend has been adopted by the Annual General Meeting of shareholders (the time of declaration).

Treasury shares
Cost and selling prices related to treasury shares are recognised in retained earnings. A capital reduction through cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the investment. Dividend related to treasury shares is taken to the retained earnings account.

Income taxes and deferred taxes
Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated tax on the taxable income for the year, adjusted for tax on prior years' taxable income and for tax paid under the on-account tax scheme. Deferred tax is measured on all temporary differences between the carrying amount and tax base of assets and liabilities and other temporary differences, such as share-based remuneration. However, no deferred tax is recognised on temporary differences relating to goodwill which is not deductible for tax purposes and office buildings and other items where temporary differences - other than business acquisitions - arise at the date of acquisition without affecting either the profit/(loss) for the year or taxable income. In cases where the tax base may be computed according to several sets of tax regulations, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability as planned by Management.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised under other non-current assets at the values at which they are expected to be realised, either by elimination against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is adjusted for eliminations of unrealised intra-group gains and losses. Changes in deferred tax as a result of changed tax rates are recognised in the income statement.

Financial liabilities
Debt to credit institutions etc. is recognised at the time of borrowing at the proceeds received after deduction of transaction costs incurred.

In subsequent periods, the financial liabilities are measured at amortised cost using "the effective interest method" so that the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the loan term.

Other financial liabilities are measured at amortised cost.

Contractual obligations
Contractual obligations comprise prepayments by customers and prepaid subscription fees etc., income from which is recognised in a subsequent period.

Fair value hierarchy
Financial instruments measured at fair value in the balance sheet are classified using the following fair value hierarchy:
- Listed prices in active markets of identical assets or liabilities (Level 1).
- Listed prices in active markets of similar assets or liabilities, or other valuation methods where all material input is based on observable market data (Level 2).
- Valuation methods under which any material input is not based on observable market data (Level 3).

Note 2 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the consolidated cash flow for the year, broken down by cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the cash and cash equivalents at the beginning and end of the year. The cash flow statement is presented by the indirect method.

Cash flows from enterprises acquired are recognised from the date of acquisition.

Cash flow from operating activities

Cash flows from operating activities are calculated as the profit or loss before tax, adjusted for non-cash operating items, working capital changes, interest received and paid, and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities include payments in connection with purchases and sales of enterprises and activities, purchases and sales of intangible assets, property, plant and equipment, and other non-current assets, and purchases and sales of securities not recognised as cash and cash equivalents.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs, as well as the raising of loans, repayments on interest-bearing debt, purchases and sales of treasury shares, and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents include cash balances which are an integrated part of the Company's financial resources.

Segment information

The Group has the following four business segments (five from 2024) divided into two business areas

Last Mile

- FK Distribution, which consists of the distribution activities of FK Distribution and Tryksagsomdelingen Fyn.
- Svensk DirektReklam, which consists of the distribution activities of Svensk Direkt-Reklam, Malmixx, Reklog og Egro Konsult (from 2024).

Digital Services

- BoligPortal.dk, BostadsPortal.se and
- boligmanager.dk
- Ofir.dk and MatchWork.com.
- Bekey, which consists of the Group's digital access solution.

Segment income and expenses comprise the items that are directly attributable to the individual segment and the items that can be allocated to the individual segment on a reliable basis. Unallocated items mainly comprise income and expenses relating to the Group's administrative functions, interest and return on securities, income taxes, etc. Unallocated items also include the Group's owner-occupied and investment properties and the financing thereof.

Segment income and expenses are defined as EBIT.

Segment information is determined based on the Group's accounting policies.

Note 3 Ratio definitions

Gross margin	=	Gross profit x 100 / Revenue
Operating profit before depreciation and amortisation	=	EBITDA (EBIT + depreciation and amortisation)
EBITA	=	EBIT + amortisation
Operating profit (EBIT)	=	EBIT
Net profit for the year excl. return on securities	=	Net profit for the year - return on securities x 0,78
EBIT margin	=	EBIT x 100 / Revenue
Equity ratio	=	Equity at the end of the period incl. min. interests x 100 / Total assets
Return on equity (ROE)	=	Profit after tax x 100 / Average equity incl. minority interests
Net interest-bearing cash position	=	Interest-bearing assets and cash less interest-bearing debt
Net working capital (NWC)	=	Non-interest-bearing receivables less current liabilities excl. non-interest-bearing debt
Capital employed	=	Equity and minority interests plus net interest-bearing debt
Return on capital employed before special items	=	EBITA x 100 / Average capital employed incl. goodwill
Free cash flow before tax (CFFO)	=	EBITDA adjusted for changes in operational balance sheet items excl. tax and minus investments
Earnings per share (EPS)	=	Parent's share of net profit/loss for the year / Average numbers of shares in circulation
Diluted earnings per share (EPS-D)	=	Parent's share of net profit/loss for the year / Average numbers of diluted shares in circulation
Earnings per share excl. return on securities (EPS-adj)	=	Net profit for the year - return on securities after tax / Average number of shares in circulation
Price/Earnings (P/E)	=	Share price / EPS
Price to book value (P/BV)	=	No of shares, 31 December x market price / Parent's share of equity
Cash flows per share (CFPS)	=	Cash flow from operating activities / Average number of diluted shares
Capital resources	=	Securities + Cash

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.

Ratios have been prepared in accordance with the Danish Finan-ce Society's online version of "Recommendations & Key Ratios" with the following exceptions:

- Invested capital is calculated inclusive of goodwill, see above
- Adjusted earnings per share (EPS-adj) shows the profit for the year exclusive of the return on securities
- Free cash flow has been calculated before tax as the amount of prepaid tax may otherwise affect the ratio randomly
- Ratios which include equity, are all calculated inclusive of minority interests as both the profit or loss and balance sheet figures include the minority interests

Note 4 Material accounting estimates and judgements

The calculation of the carrying amounts of certain assets and liabilities requires an estimate of how future events will affect the value of both assets and liabilities at the balance sheet date. Estimates that are significant to the financial reporting are made, for example, when assessing future cash flows.

The estimates applied for future cash flows are based on assumptions which North Media considers to be realistic, but which are inherently uncertain and unpredictable as future events or circumstances may deviate from expectations. Furthermore, the company is exposed to risks and uncertainties that may cause actual results to deviate from those estimates. Risks related to North Media A/S are specified in the section on risks and risk management on pages 45-47.

Company acquisition

The fair values of the assets and liabilities determined in connection with the preliminary purchase price allocation (PPA statement) have been calculated using ordinary valuation models and customary principles, which appear from page 36. In addition to assets and liabilities already recognised in SDR's balance sheet at 29 December 2023, the PPA statement has identified and recognised fair values of assets in the form of customer relations of DKK 142.8m as calculated according to the MEEM model based on a WACC of 12.3% and CAC of 1.6%, brand names of DKK 19.6m calculated according to the income-based relief from royalty model based on a royalty rate of 0.8%, and software of DKK 16.2m calculated on the basis of estimated replacement costs. The values applied to these assets are in particular based on judgments, as are the future economic lives estimated at ten years for customer relations and brand names and at three years for software. A change in the estimated economic life of an asset may have a significant impact on future amortisation. Book values of assets and liabilities already recognised in SDR's balance sheet at 29 December 2023 are estimated to correspond to their fair values.

A potential change in the estimate of purchase price allocation and future amortisation charges may affect the current presentation and future financial results as the assets are amortised.

Other intangible assets

Goodwill and other intangible assets of the Danish part of the business have been the subject of ordinary testing for impairment, but considering the high level of earnings in the relevant CGUs and the relatively low value of the intangible assets, management does not believe there is a risk of possible significant estimation errors that could impact the value of intangible assets. Further comments to this effect are provided in note 15.

Note 5 Segment information

DKKm	Last Mile FK Distribution 2023	Last Mile FK Distribution 2022	Digital Services Total 2023	Digital Services Total 2022	BoligPortal 2023	BoligPortal 2022	Ofir 2023	Ofir 2022	Bekey 2023	Bekey 2022	Unallocated costs/ elimi.*) 2023	Unallocated costs/ elimi.*) 2022	Total 2023	Total 2022
Segment revenue	784.6	836.5	169.0	164.2	107.0	93.9	34.7	40.5	27.3	29.8	0.0	0.0	953.6	1,000.7
Internal revenue	0.0	0.0	-4.5	-5.4	0.0	0.0	-0.7	-0.5	-3.8	-4.9	0.0	0.0	-4.5	-5.4
External revenue	784.6	836.5	164.5	158.8	107.0	93.9	34.0	40.0	23.5	24.9	0.0	0.0	949.1	995.3
Revenue recognition														
Immediately	784.6	836.5	46.1	55.3	0.0	0.0	34.0	40.0	12.1	15.3	0.0	0.0	830.7	891.8
Over time	-	-	118.4	103.5	107.0	93.9	0.0	0.0	11.4	9.6	0.0	0.0	118.4	103.5
External revenue	784.6	836.5	164.5	158.8	107.0	93.9	34.0	40.0	23.5	24.9	0.0	0.0	949.1	995.3
Direct costs	403.8	422.9	10.4	14.0	0.9	0.8	5.3	6.9	4.2	6.3	-3.4	-4.6	410.8	432.3
Gross profit	380.8	413.6	158.6	150.2	106.1	93.1	29.4	33.6	23.1	23.5	-1.1	-0.8	538.3	563.0
Other external costs	230.2	230.4	144.5	134.0	67.5	65.8	34.4	30.9	42.6	37.3	-5.9	-11.8	368.8	352.6
EBITDA	165.5	198.2	15.1	17.2	39.6	28.3	-5.0	2.7	-19.5	-13.8	-3.8	3.8	176.8	219.2
Amortisation, depreciation and impairments losses etc.	11.9	13.5	4.7	4.6	4.2	4.1	0.1	0.1	0.4	0.4	10.3	9.6	26.9	27.7
EBIT	153.6	184.7	10.4	12.6	35.4	24.2	-5.1	2.6	-19.9	-14.2	-14.1	-5.8	149.9	191.5
Share of profit/loss in associates	-	-	-	-	-	-	-	-	-	-	-	-	2.6	7.4
Return on securities	-	-	-	-	-	-	-	-	-	-	-	-	189.3	-194.2
Net financials	-	-	-	-	-	-	-	-	-	-	-	-	-1.7	-3.3
Profit/loss before tax	-	-	-	-	-	-	-	-	-	-	-	-	340.1	1.4
Gross margin	48.5%	49.4%	96.4%	94.6%	99.2%	99.1%	86.5%	84.0%	98.3%	94.4%	-	-	56.7%	56.6%
EBITDA margin	21.1%	23.7%	9.2%	10.8%	37.0%	30.1%	-14.7%	6.8%	-83.0%	-55.4%	-	-	18.6%	22.0%
EBIT margin	19.6%	22.1%	6.3%	7.9%	33.1%	25.8%	-15.0%	6.5%	-84.7%	-57.0%	-	-	15.8%	19.2%

* Internal revenue is eliminated in other operating expenses. Other items relate to unallocated expenses and to assets and liabilities.

Geographical information

North Media A/S mainly operates in the Danish market, and 95.6% (2022: 96.3%) of the consolidated revenue is invoiced in DKK to Danish customers. No single customer accounts for more than 10% of the Group's total revenue.

Other information

FK Distribution's revenue is based on packing and distribution services, amounting to DKK 755.4 million (2022: DKK 806.4 million) and online sales of DKK 29.2 million (2022: DKK 30.1 million).

BoligPortals revenue consists of subscription-based income from the company's marketplace and income from various subscription-based SaaS solutions, amounting to DKK 107.0 million (2022: DKK 93.9 million).

Ofirs revenue consists mainly of transaction-based job and banner ads, amounting to DKK 34.0 million (2022: DKK 40.0 million).

Bekeys revenue consists of sales of access systems (software access), including the sale of physical products closely associated with user access, amounting to DKK 23.5 million (2022: DKK 24.9 million).

Note 6 Employees and staff costs

Number	2023	2022
Average number of employees	399	420
Average number of deliverers	711	770
Total average number of employees	1.110	1.190

The average number of distributors is converted to a full-time number of employees based on the estimated time consumption per. route.

Total salaries and remuneration for the year, DKKm	2023	2022
Wages and salaries, including holiday pay	351.3	354.9
Defined contribution plans	19.6	16.5
Other social security costs	3.5	4.0
Remuneration of the Parent's Board of Directors	2.6	2.4
Share-based payment	0.1	0.2
Other staff costs	25.0	27.7
Total staff costs	402.1	405.7

Total staff costs are included in the following items of the statement of comprehensive income:		
Direct staff costs	158.6	179.7
Staff costs	243.5	226.0
Total staff costs	402.1	405.7

Remuneration of the Board of Directors and Executive Board	Board of Directors of Parent Company	The Parent Executive Board	Total
2023, DKKm			
Wages, salaries and bonus	2.6	10.2	12.8
Pension (defined contribution plans) and usual staff benefits	0.0	1.3	1.3
Share-based payment	0.0	0.1	0.1
Severance pay	0.0	0.0	0.0
Remuneration of the Board of Directors and Executive Board	2.6	11.6	14.2
Number of members (average)	5	3	8
2022, DKKm			
Wages, salaries and bonus	2.4	9.2	11.6
Pension (defined contribution plans) and usual staff benefits	0.0	1.3	1.3
Share-based payment	-0.2	0.2	0.0
Severance pay	0.0	1.2	1.2
Remuneration of the Board of Directors and Executive Board	2.2	11.9	14.1
Number of members (average)	5	3	8

Reference is made to the section on corporate governance on page 43.

The Company's remuneration report providing information in Danish about the remuneration paid to each member of management appears on the Company's website at https://www.northmedia.dk/vederlagsrapport/.

Note 7 Share-based payment

Options granted for acquisition of shares in North Media
In 2023, no stock options have been granted and 10,000 options were not exercised.

A total of 188,000 of 300,500 share options were exercised in the 2023 financial year (2022: 279.500 share options exercised).

In August 2018, share options were granted to a group of 20 persons, consisting of the Company's Executive Board, three members of the Board of Directors and selected executives. Richard Bunck and Ulrik Holsted-Sandgreen did not receive any share options.

The 2018 share option programme comprised a total of 962,000 share options, of which 148,000 were granted to the Board of Directors and 318,000 to the Executive Board. In addition, another approximately 100,000 options were ear-marked for other executives who might later join the share option programme. The share options were granted in three tranches. At the end of 2023 the following is outstanding:

During the exercise period, the options may only be exercised in the windows applicable at the exercise date pursuant to the internal rules laid down by the Company and in accordance with the rules of Nasdaq OMX Copenhagen and the Danish Capital Markets Act.

The exercise of share options is conditional upon the holder not retiring from their position with the Group prior to the time of exercise.

Each share option entitles the holder to acquire one existing share in North Media A/S denominated at DKK 5.00 at a price corresponding to the average closing price of the Company's shares in the period 17 August 2018 to 23 August 2018, both days included. Share options were awarded at an exercise price of DKK 36.3 per share, corresponding to the average price of the Company's shares in the period 3 December to 9 December 2021.

Share options are granted in accordance with the overall guidelines for incentive programmes that were adopted at the Annual General Meeting held by North Media A/S on 13 April 2018. The share option programme was established to ensure performance-oriented and value-adding commitment. Also, the aim of the programme is to develop long-term loyalty and to constitute a competitive remuneration to employees under this programme.

The options can only be settled in shares. North Media A/S has purchased a total of 2,085,097 treasury shares. These shares are reserved for settlement, wholly or in part, of the options granted.

The theoretical market value (as assessed using the Black-Scholes model) of the share options granted was DKK 8.1 million at the grant date. The costs are recognised over the life of the individual tranches. The following assumptions were in 2018 used to calculate the fair value of the options:

The expected volatility was calculated based on the historic volatility of the share price of North Media A/S's and a peer group's shares with a performance history corresponding to the term of the individual option. Expectations are that the options will be exercised after the first exercise opportunity.

At the balance sheet date, total options corresponding to 102,500 shares remain out-standing, equalling 0.51 % of the share capital.

Option	First exercise date	Last exercise date	Lives of options	Risk free interest	Expected volatility	NPV of dividend	Option value/each
Tranche 3	feb-2023	mar-2024	4.5 yrs	-0.27 %	45.2 %	7 kr.	8.71

In 2023, DKK 0.2 million (2022: DKK 0.2 million) was expensed under staff costs in respect of the share option programmes, originating from equity-settled share option plans in North Media A/S.

Options forfeited at the termination of an employee's employment may be granted to other employees on the same terms and conditions.

Note 7 Share-based payment (continued)

The tables below show developments in out-standing share options and distribution per tranche.

Developments in outstanding share options can be specified as follows:

Number	2023	2022
	Number of share options	
Outstanding share options, 1 January	300,500	650,000
Exercised during financial year	-188,000	-279,500
Expired during financial year	-10,000	0
Cancelled due to termination of employment	0	-120,000
Options granted, 2018-programme	0	50,000
Outstanding share options, 31 December	102,500	300,500
Number of share options which can be exercised at the balance sheet date	102,500	8,500

Board of Directors, the Executive Board's and other staff's share of issued options:	Time of earliest exercise	Number of options granted	Number of employees who have been granted options	Number granted/exercised 2023	Moved employees	Number expired in 2022	Unexercised options at 31.12.2023	Exercise price
Board of Directors								
Granted 2018, tranche 3	2023	30,000	2	-30,000	0	0	0	36.30
Granted 2018, tranche 3	2023	7,500	1	0	0	0	7,500	101.92
Executive Board								
Granted 2018, tranche 3	2023	85,000	3	-42,000	12,000	0	55,000	36.30
Other managerial staff								
Granted 2018, tranche 2	2022	10,000	3	0	0	-10,000	0	36.30
Granted 2018, tranche 3	2023	80,000	4	-60,000	0	0	20,000	36.30
Other staff								
Granted 2018, tranche 3	2023	88,000	6	-56,000	-12,000	0	20,000	36.30

The fair value of unexercised share option program was DKK 2.7 million. DKK per 31 December 2023, calculated based on the year-end price. (2022: DKK 6.1 million).
The average share price of the 188,000 share options exercised was DKK 60.19.

Note 8 Fees to the auditors appointed by the General Meeting

DKKm	2023	2022
PwC		
Statutory audit services	2.0	1.9
Other assurance engagements	0.0	0.1
Tax services	0.2	0.1
Other services	0.5	1.0
Total fees to the auditors appointed by the General Meeting	2.7	3.1

Fees for other assurance engagements provided for the Group by Pricewaterhouse-Coopers Statsautoriseret Revisionspartnerselskab amounted to DKK 0.7m in 2023 (2022: DKK 1.1 m), which is included in the above numbers. The assistance consists primarily of other assurance statements as well as other services in general.

Note 9 Amortisation, depreciation and impairment

DKKm	2023	2022
Amortisation intangible assets, ct. note 15	3.2	3.2
Depreciation property, plant and equipment, ct. note 15	23.8	24.5
Total amortisation and depreciation	27.0	27.7

Note 10 Return on securities

DKKm	2023	2022
Dividend	6.2	5.9
Return on securities, net	183.1	-200.1
Total return on securities	189.3	-194.2

Note 11 Net financials

DKKm	2023	2022
Interest income etc	3.6	1.2
Fair value adjustment of other investments	0.0	0.2
Total financial income	3.6	1.4
Interest expenses etc	-3.7	-4.5
Exchange losses	-1.5	-0.2
Fair value adjustment of other investments	-0.1	0.0
Total financial expenses	-5.3	-4.7

Interest income primarily covers interest on bank deposits.

Interest expenses consist primarily of interest on the Group's mortgage loans, as well as negative interest on bank deposits.

Note 12 Income tax

Total taxes for 2023

The table below shows North Media's contribution divided between corporation tax, VAT, social tax and property taxes. The taxes shown relate to the year's activity, and do not take into account shifts in the taxes owed. The VAT amount is shown based on the individual accounting items they relate to. Not all transactions are subject to VAT, just as there are transactions with foreign countries that are not subject to VAT. The accounting line "depreciation" shows VAT on the year's investments.

In connection with the exercise of share options, North Media obtains a tax deduction as personnel costs for the price difference between the current price at the time of exercise and the agreed option price, against which the employees in question must pay income tax of the same amount. The majority of this tax is included in the equity in the line "tax on share options", together with the difference in the theoretical value of outstanding share options. For a further explanation of tax on the year's result, refer to later in this note.

North Media has during the year established a permanent establishment with 3 employees in Sweden.

The majority of taxes paid accrue to the Danish authorities, but it is also here that the vast majority of employees are employed. From 2024, the operation of SDR will be part of the group.

DKKm	Note	Group result	Corporate tax 22%	VAT 25%	One Stop VAT 25%	VAT internal invoicing	Payroll tax	Property tax	Total taxes
Revenue	5, 23, 37	949.1		228.3	2.1	21.7			252.1
Wages and salaries	6, 7, 37	377.1					113.0		113.0
Other costs	7, 17, 37	402.4		-87.0		-39.9		2.3	-124.6
Amortisation, depreciation and impairments losses etc.	15	27.0		-3.0					-3.0
Other operating income	37	7.3		1.8		18.2			20.0
Operating profit (EBIT)		149.9	34.4						34.4
Interes and return on securities, net	10, 11	187.6	41.3	-0.1					41.2
Taxable result		337.5	75.7						75.7
Tax on profit/loss for the year	12	-75.7	-	-			-	-	-
Share of profit/loss in associates	16	2.6	0.7						0.7
Net profit for the year		264.4	76.4	140.0	2.1	0.0	113.0	2.3	333.8
Tax on options	7	-	*	-	-	-	*2.5	-	2.5
Total taxes		-	76.4	140.0	2.1	0.0	115.5	2.3	336.3
Attributable, net profit/loss									
Shareholders in North Media A/S		264.4							
The Danish society	99.2%	333.5	76.4	140.0	0.0	-	114.8	2.3	333.5
The Swedish society	0.8%	2.8	0.0	0.0	2.1	-	0.7	0.0	2.8
Taxes; the society, total		336.3	76.4	140.0	2.1	-	115.5	2.3	336.3

*Tax on profit for the year contains a tax deduction for options that are taxed at the recipient when exercised the options.

Note 12 Income tax (continued)

Corporate tax	No of employees FTEs	Total employee remuneration	External revenue	Internal revenue (country)	Profit/loss before tax	Current tax paid	Deferred tax	tax prior years	Total tax	Cash tax paid	Gross assets	Gross liabilities	net assets	Product tax (VAT)	People tax	Property tax	Total taxes
Denmark	1,107	400.5	949.1	-2.2	339.9	57.1	18.4	0.2	75.7	44.6	1,379,5	263,8	1.115,7	140.0	114.8	2.3	332.8
BP, Sweden	3	1.6	0.0	2.2	0.2	0.0	0.0	0.0	0.0	0.1	4,9	4,7	0,2	2.1	0.7	0.0	2.8
SDR, Sweden	-	-	-	-	-	-	-	-	-	-	228,5	188,0	40.5	-	-	-	-
Total	1,110	402.1	949.1	0.0	340.1	57.1	18.4	0.2	75.7	44.7	1,612.9	456.5	1.156.4	142.1	115.5	2.3	336.6

See note 40 Group structure for an indication of which companies are part of the Danish and Swedish businesses. Sweden is divided into Bostadsportal (BP) and SDR, with the latter being taken over on 29/12 2023, which is why operations are not included in the financial year, but only end-of-year balance sheet values.
All Swedish companies have tax residence in Sweden, while Danish companies have tax residence in Denmark. All group companies (excluding SDR, which do not form part of the group's financial activities for 2023) have followed North Media's tax policy.
Tax in associated companies is not included in this calculation.

The table shows financial, financial and tax information for each jurisdiction in which we operate.

The figures are in line with other accounting figures in the annual report. Our tax contribution reflects the fact that some of our products were developed in Denmark and subsequently introduced in, for example, Sweden.

VAT and withholding tax are shown for the country to which the taxes relate. This applies, for example, to VAT on services to the Swedish market, but where the activity is operated from Denmark.

The table shows profit before and after tax.

The deferred tax relates to the acquisition of SDR, and consists of a tax asset related to operations prior to North Media's acquisition, as well as a calculated deferred tax on intangible assets identified in connection with the acquisition of the company (PPA statement), see note 20 and 36.

The management's report under the individual company sections (page 13-34) contains a more detailed explanation of the activities carried out in the individual companies.

In 2023, DKK 0.1 million in corporate taxes have been paid for the Swedish activity.

Note 12 Income tax (continued)

DKKm	2023		2022	
Tax on profit/loss for the year				
Current tax charges	57.1		15.2	
Changes in the deferred tax, ct. Note 20	18.4		-16.1	
Adjustment of tax concerning prior years	0.2		0.2	
Total tax on profit/loss for the year	75.7		-0.7	
Effective tax rate		%		%
Computed tax on the profit/loss before tax 22.0% (2022: 22.0%)	74.8	22.0%	0.3	22.0%
Tax effect of:				
Share of profit/loss after tax of associates	-0.6	-0.2%	-1.6	-
Non-deductible expenses	1.2	0.4%	0.4	-
Share-based payment	0.1	0.0%	0.0	-
Adjustment of tax concerning prior years	0.2	0.1%	0.2	-
Total tax on profit/loss for the year	75.7	22.3%	-0.7	-50.0%

North Media A/S is jointly taxed with Baunegård ApS. Baunegård ApS is the administration company which attends to payment of income tax, including tax prepayment. In-come tax payable is settled with the administration company.

Non-deductible costs relate primarily to the purchase of SDRs and contribute to an increase in the effective tax rate. Profit from associated is shown after tax and must be corrected when calculating the effective tax rate. In the statement above, items that affect the taxable income for the year are shown. When calculating the taxable income and the tax debt due per 31/12 2023, it has been assessed that there are no uncertain tax conditions that will affect profit or balance sheet.

In 2022, the result was close to zero, which is why it is not possible to calculate an effective tax rate.

Realised and unrealised gains and losses on securities are recognised in the taxable income for the year and are taxed on the same terms as apply to ordinary operating profit. Losses on securities can be offset against ordinary operating profit or vice versa within the same or in future income years.

Note 13 Earnings per share

DKKm	2023	2022
Net profit for the year - total	264.4	2.1
The North Media Group's share of net profit for the year	264.4	2.1
Net profit excluding return on securities	116.7	153.6
Average number of shares (in millions)	20.1	20.1
Average number of treasury shares (in millions)	1.6	1.7
Average number of shares in circulation (in millions)	18.5	18.4
Average dilution effect of outstanding share options	0.0	0.1
Average number of diluted shares in circulation (in millions)	18.5	18.5
Earnings per share (EPS) - total	14.3	0.1
Diluted earnings per share (EPS-D) - total	14.3	0.1
Earnings per share excluding return on securities (EPS-adj)	6.3	8.3

95.000 outstanding share options were in-the-money on average in 2023. The calculation of diluted earnings per share included 0.0 million share options in 2023 (2022: 0.1 million share options).

Note 14 Recommended dividend per share

The Board of Directors recommends to the Annual General Meeting to be held on 14 April 2024 that a dividend of DKK 4.00 per of DKK 5 nominal value be paid for the financial year 2023. This is equivalent to a total distributed amount of DKK 80.2m (2022: DKK 4.0 per share and DKK 80.2m), before offsetting utilization from own shares.

Note 15 Intangible assets and property, plant and equipment

Assets with an indefinite life
Assets with an indefinite life are not amortised but are instead subject to an annual impairment test. Goodwill is by definition an asset with an indefinite life.

Goodwill related to the purchase of SDR 29/12 2023 has not been subjected to a separate impairment test, as the purchase took place close to the balance sheet date and the purchase price is considered the best estimate of an actual fair value, see note 36.
Other intangible assets comprise distribution rights and trademarks acquired in connection with acquisitions. For some of these assets, the Group cannot foresee a limit to the period over which the assets may be expected to generate future economic benefits for the Group. In these cases, the lives of the assets are therefore deemed indefinite, for which reason they are not amortised. Other intangible assets the lives of which are deemed limited are subjected to amortisation.

The Group's total goodwill of DKK 146,4m includes DKK 106.4m attributable to SDR, DKK 19.6m attributable to FK Distribution and DKK 20.4m attributable to BoligPortal. Indefinite life intangible assets, aside from goodwill, total DKK 2.9 million and relate to FK Distribution.

Impairment test
When preparing the financial statements, goodwill and intangible assets were tested for impairment for the following "Cash Generating Units" (CGU) holding intangible assets:

- FK Distribution
- BoligPortal

The recoverable amount for the individual cash-generating units to which goodwill and other intangible assets have been allocated is stated based on computations of the units' value in use. There has been no indication of impairment in this.

FK Distribution
For FK Distribution, the impairment test shows a value in use considerably exceeding the value of its non-current assets and working capital, as a result of which there has been no reason to write down intangible assets related to this CGU.

FK Distribution's EBITDA in 2023 amounts to DKK 165m. Guidance for 2024 is evident from the guidance page. In the context of the value of goodwill and intangible assets only totalling DKK 23.1m, no impairment risk is deemed to exist as long as FK Distribution can continue to operate its core business.
The main prerequisite for FK Distribution remaining profitable is that consumers will continue to demand information and offers in print for some time to come.
In the long term it is also expected that FK Distribution will develop new online activities to compensate in whole or in part for a generally declining printed matter market. The investment requirement has been low in 2023, and it is expected to remain low in 2024 and onwards. Should the foundation of FK Distribution's business cease to exist, intangible assets in the total amount of DKK 23.1 million would have to be written down.
The impairment model for FK Distribution builds on the 2024 budget, which is projected four years based on estimates of future developments in this CGU. For the subsequent terminal period, a negative growth factor of 4% was applied for FK Distribution in 2023 (2022: negative at 4%). This decline was slightly smaller than the market decline expected, the reason being that the Group's products are expected to fare better than the general print ad market.

BoligPortal
BoligPortal is Denmark's largest rental housing portal and has had positive earnings throughout the years. Historically BoligPortal has succeeded in developing new products that the market demands.
Earnings of BoligPortal are expected to continue to develop positively, and there has been no indication of impairment of goodwill or other intangible assets related to this site. Reduced earnings, even of 20%, would not affect the indication of impairment.
The most important prerequisite is that BoligPortal, as the market leader, will be able to continue the development of new products and thereby be able to maintain satisfactory earnings.
The impairment model for BoligPortal builds on the 2024 budget, which is projected four years based on estimates of future developments in this CGU. BoligPortal is expected to continue to see profit improvements during the budget period of close to 10% annually and a growth factor of 2% has been applied in the terminal period (2022: 2%). A large number of new product developments are expected to continue to drive profit performance during the budget period.

Assumpt.s underlying impairment models
The tax rate used in the model is 22.0%. (2022: 22.0%).
The impairment test was performed for each CGU by comparing the carrying amount of intangible assets and property, plant and equipment and net working capital with the discounted values of future cash flows. As part of the impairment test, different dis-count rates were used, see below.

Discount rate	FK Distribution	BoligPortal
2023 after tax	10.4%	13.0%
2023 before tax	13.3%	16.7%
2022 after tax	10.0%	12.6%
2022 before tax	12.9%	16.2%

The discount rate is composed of a debt element and an equity element. For BoligPortal, however, the discount rate consist entirely of an equity element, as debt financing for these CGU's is generally considered to be difficult to obtain. The equity element has been determined on the basis of a risk-free interest rate plus a market risk premium weighted by an expected equity element. Similarly, the debt element is based on the interest rate on loan capital weighted by an expected debt element.

Note 15 Intangible assets and property, plant and equipment (continued)

DKKm	Goodwill	Other intangible assets	Software	Intangible assets total	Land and buildings	Investment property	Plant and machinery	Fixtures and fittings	PPE total
Cost at 1 January 2022	55.2	33.5	63.6	152.3	391.4	74.2	209.9	39.6	715.1
Additions for the year	0.9	0.0	4.6	5.5	12.6	0.4	4.7	4.4	22.1
Disposals for the year	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2	2.2
Cost at 31 December 2022	56.1	33.5	68.2	157.8	404.0	74.6	214.6	41.8	735.0
Amortisations, depreciation and impairment losses at 1 January 2022	16.1	24.6	62.2	102.9	157.8	57.3	180.8	29.6	425.5
Amortisations and depreciation for the year	0.0	1.2	2.0	3.2	10.4	0.5	8.8	4.8	24.5
Disposals for the year	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	1.9
Amortisations, depreciation and impairment losses at 31 December 2022	16.1	25.8	64.2	106.1	168.2	57.8	189.6	32.5	448.1
Carrying amount at 31 December 2022	40.0	7.7	4.0	51.7	235.8	16.8	25.0	9.3	286.9
Cost at 1 January 2023	56.1	33.5	68.2	157.8	404.0	74.6	214.6	41.8	735.0
Additions purchase of group company	106.4	162.4	16.2	285.0	36.3	0.0	0.2	6.6	43.1
Additions for the year	0.0	0.0	0.0	0.0	3.3	0.0	6.2	6.8	16.3
Disposals for the year	0.0	0.0	1.6	1.6	0.0	0.0	0.3	3.4	3.7
Cost at 31 December 2023	162.5	195.9	82.8	441.2	443.6	74.6	220.7	51.8	790.7
Depreciation and impairment losses at 1 January 2023	16.1	25.8	64.2	106.1	168.2	57.8	189.6	32.5	448.1
Additions purchase of group company	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisations and depreciation for the year	0.0	1.2	2.0	3.2	11.2	0.5	6.9	5.2	23.8
Disposals for the year	0.0	0.0	1.6	1.6	0.0	0.0	0.2	3.1	3.3
Amortisations, depreciation and impairment losses at 31 December 2023	16.1	27.0	64.6	107.7	179.4	58.3	196.3	34.6	468.6
Carrying amount at 31 December 2023	146.4	168.9	18.2	333.5	264.2	16.3	24.4	17.2	322.1
Depreciated over (years)	-	10 år	3 år		20-50 år	35 år	5-10 år	3-5 år	

Note 15 Intangible assets and property, plant and equipment (continued)

In 2023, other intangible assets included DKK 2.9 million worth of assets, which are considered to have indefinite lives, for which reason they were not amortised (2022: DKK 2.9 million).

Land and buildings and fixtures and fittings include lease assets for a total of DKK 5.8 million at 31 December 2023 (2022: DKK 5.3 million). See notes 28 and 30.

Investment property

The Group's former printing facility in Helsingør is classified as an investment property. The property is recognised and measured at cost less accumulated depreciation and impairment losses. Fair value of the property has been calculated at DKK 20-24 million depending on expectations for the future net return. The value is calculated based on a return-based cash flow model, by applying a required rate of return of 6,25% that reflects current market required rates of return for similar properties (Level 3). An external valuation expert has not been engaged to determine the fair value.

When determining the market value, account has been taken of the fact that extensive renovation costs have been put into operation in recent years, just as depreciation is included in the figures below.

DKKm	2023	2022
Rental income	3.3	1.9
Direct operating expenses of rented areas	-1.3	-1.4
Renovation costs	-0.3	-0.3
Profit/loss before interest and tax	1.7	0.2

Note 16 Investments in associates

DKKm	Registered office	Equity interest 2023	Equity interest 2022
Associates			
Karman Connect A/S	Aarhus	50.0%	50.0%

Investments in associates	2023	2022
Net asset value at 1 January	14.5	8.1
Share of profit/loss before tax	3.3	9.5
Share of tax	-0.7	-2.1
Dividend received	-5.0	-1.0
Net asset value at 31 December	12.1	14.5

DKKm	2023	2022
Share of profit/loss before tax	3.3	9.5
Share of tax	-0.7	-2.1
Total share of profit/loss in associates	2.6	7.4

Note 16 Investments in associates (continued)

Highlights for individual, material associates

DKKm	2023 Total	2022 Total
Karman Connect, Equity interest	50.0%	50.0%
Revenue	58.5	78.3
Net profit for the year	5.1	14.8
Comprehensive income	5.1	14.8
The Group's share of comprehensive income	2.6	7.4
Balance sheet		
Non-current assets	0.5	0.5
Current assets	20.9	31.1
Non-current liabilities	-0.6	-0.5
Current liabilities	-4.0	-9.3
Net assets (equity)	16.8	21.8
The Group's share of equity in associates (book value)	12.1	14.5
Transactions with associates		
Dividend received from associates	5.0	1.0
Contingent liabilities	1.2	1.9

Associates are not subject to limitations with respect to distribution of cash dividends aside from the general requirements for propriety of dividends under Danish company law.

Note 17 Inventories

DKKm	2023	2022
Manufactured goods and goods for resale	6.2	6.0
Write-down of finished goods	-0.2	-0.2
Total inventories	6.0	5.8

DKK 1.9 million worth of finished goods exist that are expected to be sold more than 12 months after the balance sheet date (2022: DKK 1.2m). DKK 4.3 million in cost of sales has been recognised in direct costs (2022: DKK 6.3m).

Note 18 Trade receivables

DKKm	2023	2022
Trade receivables	84.6	55.7
Write-downs	-0.4	-0.5
Trade receivables, net	84.2	55.2

Bad debts has historically been insignificant.

Note 19 Income tax payable

DKKm	2023	2022
Income tax receivable (-) payable (+) as of 1 January	10.3	-6.3
Paid income tax prior years (cash flow statement)	-8.6	5.9
Paid provisional income tax this year (cash flow statement)	-36.1	-4.5
Current tax charges ct. note 12	57.1	15.2
Tax due in the acquisition balance from the purchase of SDR	3.5	0.0
Income tax receivable (-) payable (+)	26.2	10.3

Note 20 Deferred tax

DKKm	2023	2022
Deferred tax at 1 January, liabilities / liabilities	-10.4	-0.1
Deferred tax included in net profit for the year	18.4	-16.1
Deferred tax share options included in equity	-0.3	4.9
Deferred tax, purchase subsidiary	29.7	0.9
Deferred tax at 31 December, (- = assets / + = liabilities)	37.4	-10.4

Note 20 Deferred tax (continued)

Development in defered tax, 2023	Defered tax 1. january	Movements	Defered tax 31. december	Assets	Liabilities
Goodwill	4.1	0.0	4.1	0.0	4.1
Other intangible assets	1.8	-0.7	1.1	0.0	1.1
Property, plant and equipment	-3.4	4.4	1.0	0.0	1.0
Current assets	-0.1	2.8	2.7	0.0	2.7
Share options	-1.3	0.7	-0.6	0.6	0.0
Non-current assets	0.0	-0.6	-0.6	0.6	0.0
Tax losses carried forward	-11.5	11.5	0.0	0.0	0.0
Tax taken over in connection with business purchases	0.0	29.7	29.7	0.0	29.7
Deferred tax at 31 December, (- = assets / + = liabilities)	-10.4	47.8	37.4	1.2	38.6
Set-off of deferred tax assets and deferred tax liabilities within the same legal tax units and jurisdictions				-1.2	-1.2
Deferred tax at 31 December, (- = assets / + = liabilities)				0.0	37.4

Development in defered tax, 2022	Defered tax 1. january	Movements	Defered tax 31. december	Assets	Liabilities
Goodwill	4.1	0.0	4.1	0.0	4.1
Other intangible assets	1.6	0.2	1.8	0.0	1.8
Property, plant and equipment	2.3	-5.7	-3.4	3.4	0.0
Current assets	1.9	-2.0	-0.1	0.1	0.0
Share options	-9.2	7.9	-1.3	1.3	0.0
Current liabilities	-0.8	0.8	0.0	0.0	0.0
Tax losses carried forward	0.0	-11.5	-11.5	11.5	0.0
Deferred tax at 31 December, (- = assets / + = liabilities)	-0.1	-10.3	-10.4	16.3	5.9
Set-off of deferred tax assets and deferred tax liabilities within the same legal tax units and jurisdictions				-5.9	-5.9
Deferred tax at 31 December, (- = assets / + = liabilities)				10.4	0.0

Fiscal deficit to be carried forward in 2022 is fully utilized in income for 2023. The deferred tax can primarily be attributed to intangible assets related to the purchase of SDR, and to a smaller extent goodwill and other intangible assets from the purchase of companies, related to FK Distribution from before the transition to IFRS.

Deferred tax in relation to tangible installations is primarily attributable to tax depreciation on the Group's production properties that exceed the accounting depreciation. The tax asset related to current assets relates to a series of prepayments.

In the 2022 annual report, no tax write-offs were made, based on the desire to reduce the tax deficit. When filing the tax return for 2022, depreciation was made, due to large capital gains on securities. This is the primary cause of the large movements in particularly tangible assets.

Note 21 Equity

Share capital	Number in thousands 2023	2022	Nominal value DKK'000 2023	2022
Number of shares at 1 January	20,055	20,055	100,275	100,275
Number of shares at 31 December	20,055	20,055	100,275	100,275

The share capital consists of 20,055,000 shares of DKK 5.00 nominal value each, fully paid up. No shares carry special rights.

	2023			2022		
Treasury shares	**Number in thousands**	**Nominal value DKK'000**	**% of share capital**	**Number in thousands**	**Nominal value DKK'000**	**% of share capital**
At 1 January	1,629	8,145	8.12%	1,909	9,545	9.52%
Purchase	644	3,220	3.21%	0	0	0.00%
Sale	-188	-940	-0.94%	-280	-1,400	-1.40%
At 31 December	2,085	10,425	10.40%	1,629	8,145	8.12%

North Media A/S is authorised by the company in general meeting to acquire a maximum nominal amount of DKK 15,041,000 of share capital. This authorisation runs until 27 March 2025.

In the 2023 financial year, North Media A/S sold 188,000 treasury shares for the amount of DKK 6,8 million as part of the exercise of the share option program described in note 7. (2022: sold 279,500 treasury shares for the amount of DKK 10,1 million as part of the exercise of the share option program).

Cf. company announcement 13-2023 of 18 October 2023, North Media has purchased 644,097 treasury shares for a total of DKK 36.1 million.

The portfolio of treasury shares was acquired with a view to funding current and possible future share options outstanding relating to the Group`s share option programme, see details in Note 6.

Reserve currency translation adjustments

Reserve for exchange rate adjustments contains exchange rate adjustments arising from the conversion of accounts of units with a functional currency other than Danish kroner and exchange rate adjustments relating to assets and liabilities that form part of the Group's net investment in such units. In 2023, a small amount related to Bostadsportal AB will be included, as well as conversion of the purchase price for SDR at closing price, as well as conversion of the purchase price for SDR to closing rate.

Note 22 Debt to financial institutions etc.

DKKm	2023	2022
Mortage debt, fixed rate	118.2	113.4
Carrying amount	118.2	113.4
Debt to financial institutions is included under the following items in the balance sheet		
Non-current liabilities	103.7	108.6
Current liabilities	14.5	4.8
Carrying amount	118.2	113.4
Nominal value	118.2	113.4
Fair value	93.0	91.6

Note 23 Contract liabilities

Contractual obligations are recognised as income upon delivery of the subject-matter of the contract for which prepayment has been received. This usually take place in the following quarter.

Note 24 Other payables

DKKm	2023	2022
A tax (PAYE) etc payable to public authorities	10.5	0.4
VAT liability	17.0	11.1
Covid-19 extended taxes, SDR	47.7	0.0
Holiday pay obligation	17.5	11.6
Other debt	42.9	25.8
Total other payables	135.6	48.9

Note 25 Adjustments for non-cash items

DKKm	2023	2022
Share of profit/loss in associates	-2.6	-7.4
Tax on profit/loss for the year	75.7	-0.7
Amortisation and depreciation of assets	26.8	27.7
Gain/loss on disposals of assets	0.1	0.0
Share-based payment	0.2	0.2
Net financials	1.8	3.5
Value adjustments, securities	-189.3	194.2
Total adjustments for non-cash items etc.	-87.3	217.5

Note 26 Changes in working capital

DKKm	2023	2022
Changes in receivables etc	-48.0	2.9
Changes in current liabilities	121.8	-29.1
Working capital in relation to business acquisitions	-78.4	0.0
Changes in working capital in business acquisitions	-4.6	-26.2

Note 27 Investments in intangible assets and property, plant and equipment

DKKm	2023	2022
Investment in software	0.0	-0.6
Investment in land and buildings	-3.3	-13.0
Investment in plant and machinery	-6.2	-4.7
Investment in fixtures and fittings	-6.8	-4.4
Total investments	-16.3	-22.7
Investments with a cash effect hereof	-11.9	-20.2
IFRS 16 investments hereof (no cash effect)	-4.4	-2.5

Investments for the year included DKK 0m relating to solar panels and associated battery (2022: DKK 7.4m solar panels and 3.9 battery). In 2023 the amount also included additions of DKK 0.8m regarding leased vehicles (2022: DKK 0.8m).

The North Media Group makes extensive use of IT and other recent technology as core elements of its individual business areas. Developing and testing physical and digital methods so as to constantly develop businesses and enhance efficiency form an integral part of our day-to-day operations. The Group's development costs charged to the income statement in 2023 amounted to approximately DKK 10m (2022: approximately DKK 10m). The above figures do not include inflows from the purchase of SDR. Refer to notes 15 and 36 for further information on this.

Note 28 Development in interest-bearing debt

DKKm	2023	2022
Non-current liabilities at 1 January, financial institutions and lease debt	110,5	116,6
Current liabilities at 1 January, financial institutions and lease debt	8,2	8,2
non-current purchase price payable SDR	20,3	0,0
New lease commitments	4,4	2,5
Repayment of non-current liabilities	-13,1	-8,6
Debt taken over in relation to business acquisitions	44,3	0,0
Interest bearing debt at 31 December	174,6	118,7
Of this long-term debt	155,1	110,5
Of this short-term debt	19,5	8,2
Interest bearing debt at 31 December	174,6	118,7

Interest-bearing debt 2023, DKKm	Beginning of year	Cash flow	Acquisition	non-cash*	End of year
Financial institutions	113,4	-4,8	-	-	108,6
Purchase price payable SDR	0,0	0,0	20,3	-	20,3
Lease debt	5,3	-3,7	39,9	4,2	45,7
Total financial liabilities	118,7	-8,5	60,2	4,2	174,6

Interest-bearing debt 2022, DKKm					
Financial institutions	118,1	-4,7	-	-	113,4
Lease debt	6,7	-3,7	0,0	2,3	5,3
Total financial liabilities	124,8	-8,4	0,0	2,3	118,7

*Additions and disposals of leasing assets are included here

Note 29 Purchase price payable

Specification purchase price payable, DKKm:	2023	2022
Purchase price payable, non-current	20.3	0.0
Purchase price payable, non-current	9.6	0.0
Purchase price payable, total	29.9	0.0

As part of the purchase agreement on SDR, it has been agreed that 30 million SEK is withheld as security for the buyer's possible claims against the seller. The amount is due on 15 June 2025.

The short-term part of the purchase price payable relates to payment of the final purchase price, and is due in March 2024.

Note 30 Leases

The Group recognizes leases in the balance sheet in accordance with IFRS 16.

The service component of the lease is not capitalised. The discounted value of lease liabilities is calculated on the basis of an incremental borrowing rate of 2%.

The value of the assets is calculated as follows:

The Group has a number of short-term leases (< 12 months), mainly depot facility leases. The exception in IFRS 16 of leaving out short-term leases has been applied for these leas-es. Instead, these leases are recognised in the income statement over the lease term. During the year, DKK 4.3 million has been recognised in the income statement (2022: DKK 3.5 million), and remaining lease payments amount to DKK 1.4 million.

DKKm	2023	2022
Rental agreements are recognised in 'Land and buildings, Note 15	38.4	2.1
Leased cars are recognised in 'Fixtures and fittings', Note 15	7.3	3.2
	45.7	5.3

Note 31 Contingent liabilities

The Group participates in a Danish joint taxation arrangement in which Baunegård ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Group is therefore liable for income taxes and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The total known joint taxation liability is evident from the financial statements of Baunegård ApS.

At the end of 2023, North Media A/S committed to invest EUR 4m in an infrastructure fund under Copenhagen Infrastructure Partners. The fund will be investing in off-shore/onshore wind, solar energy, energy storage technology, among other things. To date, the fund has called EUR 0.81m, which amount has been recognised in other securities and investments. The remaining amount, EUR 3.19m, will be called as and when the underlying fund identifies and acquires an interest in relevant projects.

In a decision announced on 30 June 2020, the Competition and Consumer Authority ruled that Forbruger-kontakt A/S had violated the prohibition against abusing a dominant position by applying tying conditions in its contracts with customers in the period 2018, to October 2019. In a decision of 28 April 2021, the Danish Competition Appeals Board upheld the Competition and Consumer Authority'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.

In addition to the above, North Media is involved in certain lawsuits and disputes. Management does not expect the outcome of these lawsuits and disputes to go against North Media. However, should this unexpectedly occur, management believes that this will not significantly affect North Media A/S' financial position, operating profit or cash flows.

Note 32 Security for loans

DKKm	2023	2022
Carrying amount for mortgaged properties provided as security for the Group's mortgage debt	223,4	231,2

Note 33 Related parties

As a principal shareholder in North Media A/S's Parent, Baunegård ApS, Richard Bunck is subject to the disclosure requirements for related parties. During the current and previous financial year, there were no transactions with Richard Bunck except for his remuneration as a Board member.

Baunegård ApS is wholly owned and controlled by Richard Bunck. This company is an administration company in the joint taxation arrangement with North Media A/S and manages payment/receipt of Danish income tax on behalf of the North Media Group's Danish companies. Baunegård ApS (registered in the Municipality of Fredensborg) prepares the consolidated financial statements, in which North Media A/S and its subsidiaries are included.

Member of the Board Ulrik Holsted-Sandgreen is attorney-at-law and partner of the law firm of Horten, which provides professional advisory services to the Company. Therefore, Ulrik Holsted-Sandgreen may not be considered independent. In 2023, Horten invoiced the Group total fees of DKK 4.4m (2022: 3.3m).

In the year under review, no transactions were made with the Board of Directors, Executive Board, managerial staff, significant shareholders or other related parties, except for salaries, remuneration and exercised share options as set out in Notes 6 and 7.

North Media has transactions with associates and subsidiaries in the form of ordinary business activities such as buying and selling services and internal rental agreements.

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the accounting policies.

DKKm	2023	2022
Transactions with Baunegård ApS and Richard Bunck		
Remuneration, Board member, paid to Richard Bunck	0.4	0.4
Corporate tax, current financial year, paid to Baunegård ApS	0.0	4.5
Corporate tax, previous year paid to Baunegård ApS	8.6	0.0
Corporate tax, previous year received from Baunegård ApS	0.0	5.9
Dividend to Baunegård ApS	44.7	55.9
Transactions with associates		
Sale to Karman Connect A/S	0.6	0.3
Purchase from Karman Connect A/S	0.0	0.4

Note 34 Financial risks

The Group's handling of liquidity risks and risk management is described in detail in a separate section in the management commentary. Supplementary information for under-standing the Group's financial risks is given below.

Liquidity risk

The Group's capital resources consist of cash funds in the total amount of DKK 160.4 million (2022: DKK 186.8 million). In addition, the Group has readily negotiable securities of DKK 652.4 million (2022: DKK 577.5 million).

Interest-rate risk

It is group policy to hedge the interest rate risk of the Group's loans when the Group believes that the interest payments can be secured at a satisfactory level compared with the related costs. The Group's mortgage loans are stated as follows:

DKKm	2023	2022
0,5%, 20-year annuity loan maturing on 31 December 2039, cash loan	54.9	57.9
1,5%, 30-year annuity loan maturing on 30 September 2048, cash loan	58.5	60.2
Total mortgage debt	113.4	118.1

Fluctuations in the interest rate level affects the Group's bank deposits and the fair value of the mortgage debt.

Cash debt on the mortgage loan is recognised in the balance sheet at the cash debt outstanding, for which reason fluctuations in fair value are not recognised in the financial statements. A 1% increase per year in the interest-rate level would reduce the fair value of the debt by DKK 7.4 million. Conversely, a decline in the interest rate level by 1% would only increase the fair value of the debt by DKK 8.1 million (for 2022 an increase in the interest-rate level by 1% would reduce the fair value of the debt by DKK 7,9m, whereas a decline would have increased the fair value of the debt by DKK 8.6 million).

The calculation of the Group's interest rate sensitivity is based on the following assumptions:

- The sensitivity rates specified for the fixed rate debt have been calculated on the basis of recognised financial assets and liabilities at 31 December 2023.
- It is assumed that the loans will be settled ordinarily as a 20-year and 30-year annuity loan, respectively, based on a cash borrowing rate of 0.74 to 1.92 %.

The Group's financial liabilities are due as follows:

2023, DKKm	Carrying amount	Con-tractual cash flow	Within 3 months	Within 3-12 months	2-5 years	After 5 years
Financial liabilities						
Financial institutions	118.2	140.2	1.7	5.2	27.6	105.7
Lease debt	45.7	45.7	3.6	11.0	31.1	0.0
Trade payables	66.0	66.0	66.0	0.0	0.0	0.0
Other payables	47.4	47.4	38.6	8.8	0.0	0.0
Liabilities at 31 December 2023	277.3	299.3	109.9	25.0	58.7	105.7
2022, DKKm						
Financial liabilities						
Financial institutions	113.4	147.1	1.7	5.2	27.7	112.5
Lease debt	5.3	5.3	0.8	2.6	1.9	0.0
Trade payables	30.9	30.9	30.9	0.0	0.0	0.0
Other payables	25.8	25.8	20.0	5.8	0.0	0.0
Liabilities at 31 December 2022	175.4	209.1	53.4	13.6	29.6	112.5

Note 34 Financial risks (continued)

The Group's cash and cash equivalents are mainly placed in the Group's cash pool account, on which negative interest is currently charged. The interest rate risk of deposits is considered immaterial.

As to the Group's financial assets and liabilities, the carrying amount may be allocated on the following contractual dates of interest-rate adjustment or expiry, depending on which date comes first, and how large a portion of the interest carrying assets and liabilities carries fixed or floating interest.

Financial assets and liabilities end 2023 DKKm	Within 1 year	Between 2 - 5 years	After 5 years	Total	Average duration
Bank deposits	160.4	0.0	0.0	160.4	1
Mortgage debt, fixed rate	-4.8	-19.9	-88.7	-113.4	4
Lease debt	-14.6	-31.1	0.0	-45.7	-
31 December 2023	141.0	-51.0	-88.7	1.3	-
Financial assets and liabilities end, 2022, DKKm					
Bank deposits	186.8	0.0	0.0	186.8	1
Mortgage debt, fixed rate	-4.8	-19.6	-93.7	-118.1	4
Lease debt	-3.4	-1.9	0.0	-5.3	-
31 December 2022	178.6	-21.5	-93.7	63.4	-

Security risk (shares)

A major portion of the Group's capital resources is placed in 10 different Danish and foreign shares and share-based investment funds, see description in the Financial review on page 40. A 10% change in the share price of the securities would influence pre-tax profit or loss for the year and equity by DKK 65.2 million (2022: DKK 57.8 million). A 10% change in the USD ex-change rate compared to the exchange rate at 31 December 2023 would isolated influence pre-tax profit or loss for the year and equity by DKK 33.8 million (2022: DKK 23.0 million). Please refer to page 40 in the Financial review for a more detailed description of returns and value at risk.

Currency risks

In 2023, the majority of the Group's operational activities have taken place in Denmark and will be invoiced in Danish kroner. There are smaller activities in England, Sweden and Germany. At the end of 2023, the Group has acquired SDR, a Swedish distribution company that is recognised in the year-end balance sheet. The company has both deposits and debts in Swedish kronor and the exchange rate risk on the share of capital of around SEK 60m is assessed as insignificant overall.

In 2023, there has been no significant direct trade between business units in different countries, and North Media is exposed to a negligible extent to currency risks in connection with cash flows related to financial transactions and dividend flows, except for equity/securities risks, cf. above. The total exchange rate risk in direct trade is estimated to amount to a maximum of DKK 1 million per year and is therefore not hedged.

Credit risks

The Group is to some extent exposed to credit risks vis-à-vis receivables and deposits with banks. The maximum credit risk equals the carrying amount.
No noteworthy credit risks are considered to be associated with cash and cash equivalents as the counterparties are banks designated by the Danish Financial Supervisory Authority as systemically important financial institutions.

Outstanding receivables are regularly followed up on in accordance with the Group's receivables policy. The write-down for expected loss on trade receivables is recognised directly in profit or loss at the same time as the receivable based on a simplified expected credit loss model. The Group's operations have historically had insignificant bad debts, so write-downs are made based on individual provisions if warranted by external factors, such as bankruptcy or suspension of payment. The average loss rate of the past five years is 0.02%, and credit insurance is taken out for all major receivables.

The Group has no significant risks relating to a single customer or business partner. In accordance with the Group's credit risk assumption policy, all major customers and other business partners are subject to continuous credit assessment. At 31 December 2023, total receivables of DKK 43.0million were credit-insured with a maximum credit risk of DKK 7.4m (2022: receivables of DKK 45.4m. were credit-insured with a maximum credit risk of DKK 8.6m).

Capital management

Please refer to the section on capital resources in the management commentary, capital structure and dividend policy, page 12.

Note 35 Carrying amount, financial assets and liabilities

DKKm	2023 Carrying amount	2023 Fair value	2022 Carrying amount	2022 Fair value
Trade receivables*	84,2	84,2	55,2	55,2
Other receivables**	14,4	14,4	2,6	2,6
Cash at bank and in hand	160,4	160,4	186,8	186,8
Financial assets, measured at amortised cost	259,0	259,0	244,6	244,6
Other securities and investments	5,7	5,7	4,2	4,2
Securities	652,4	652,4	577,5	577,5
Financial assets, measured at fair value	658,1	658,1	581,7	581,7
Financial institutions	108,6	93,0	113,4	91,6
Lease debt	45,7	45,7	5,3	5,3
Trade payables	66,0	66,0	30,9	30,9
Financial liabilities, measured at amortised cost	220,3	204,7	149,6	127,8

*) Depreciation method: Lifetime expected credit-loss (simplified method)
**) Depreciation method: 12 month expected credit-loss

The fair value of listed securities has been calculated at the market price at 31 December 2023 and 31 December 2022, respectively, for the individual securities (Level 1).

The fair value for credit institutions has been calculated based on the market price at 31 December 2023 and 31 December 2022, respectively, based on the loans' underlying bonds (Level 1), adjusted for North Media's credit risk. Because of North Media's financial position, the credit risk is deemed insignificant.

For other assets and liabilities, carrying amount is considered to equal fair value.

Note 36 Purchase of subsidiary

DKKm	Fair value at time of acquisition
Intangible assets	178.6
Property, plant and equipment	43.1
Trade receivables	32.3
Other receivables	0.7
Prepayments	3.5
Cash at bank and in hand	83.9
Total current assets	120.4
Total assets	342.1
Deferred tax	-29.7
Interest bearing debt	-28.5
Total non-current liabilities	-58.2
Trade payables	-28.8
Interest bearing debt	-86.0
Other current liabilities	-15.1
Fair value of acquired net assets	154.0
Goodwill	106.4
Acquisition cost	260.4
Of which is deferred acquisition cost	-29.9
Of which contributed cash	-83.9
Net cash acquisition price	146.6

On 29/12 2023, North Media has acquired 100% of the shares in SDR Svensk Direktreklam AB and Egro Konsult AB for DKK 259.3m, of which DKK 20.2m is due on 15 June 2025, while DKK 9.6m is due in Q1 2024.

There has been no activity from the takeover date until 31/12 2023, which is why neither revenue nor profit has been included.

SDR is Sweden's largest distributor of unaddressed printed matter as well as local weekly newspapers for them Swedish consumers. The SDR network has offices in 34 cities/areas, 11 of which are covered by agreements with franchisees.

The purpose of the acquisition is to expand the group's market base for household distributed printed matter and local newspapers and to achieve synergy effects with FK Distribution's activities.

Note 36 Purchase of subsidiary (continued)

In connection with the acquisition, North Media has preliminarily identified identifiable intangible assets, i.e. customer relations, brand, IT systems, etc., which in the pre-acquisition balance sheet are recognised at fair value. The fair value at the date of acquisition has been calculated at DKK 178.6m.. After recognition of acquired identifiable assets and liabilities at their fair value, goodwill related to the acquisition amounts to DKK 106.4m. No contingent liabilities have been identified that have not been recognized in the balance sheet.

Goodwill is not tax deductible. The goodwill primarily represents the value of the staff and know-how of the Swedish market, as well as buyer-specific synergies related to the expectation that synergies can be created in connection between SDR and FK Distribution.

Intangible and tangible assets taken over and recognized as part of the purchase price amount to DKK 328m.

Operations in 2023 are not included, as the company was taken over after the last distribution day. The takeover is therefore only recognized in the balance sheet.

The pre-acquisition balance sheet includes Covid-19-related payables arising from deferred payments of VAT and employer charges for a total of DKK 48m, which are expected to be settled in 2024.

Had SDR been acquired effective at 1 January 2023, North Media's consolidated revenue would have been DKK 365m higher, while EBITDA would have been DKK 43m and EBIT would have been DKK 26m higher.

In 2022, BoligPortal acquired 51% of the voting shares in Boligmanager ApS and entered into a put/call option for the remaining 49% for a total of DKK 4m. In 2023, BoligPortal acquired the outstanding 49% of the shares, and the company merged with BoligPortal effective from 1 January 2023.

Note 37 Classified income statement

The Group presents the income statement according to the same policies as are applied in the internal reporting. The difference relative to a classified income statement is explained below:

	2023	2022
Income statement Items		
Direct costs	-252.2	-252.7
Direct staff costs	-158.6	-179.7
Staff costs	-243.5	-226.0
Other external costs	-125.2	-126.5
Other operating income	7.3	8.8
Total	-772.2	-776.1
These items are classified by nature:		
Other operating income	7.3	8.8
Cost of raw materials and consumables	-25.0	-26.2
Other external costs	-352.5	-353.0
Staff cost, ct note 6 and 7	-402.0	-405.7
Total	-772.2	-776.1

Note 38 Subsequent events

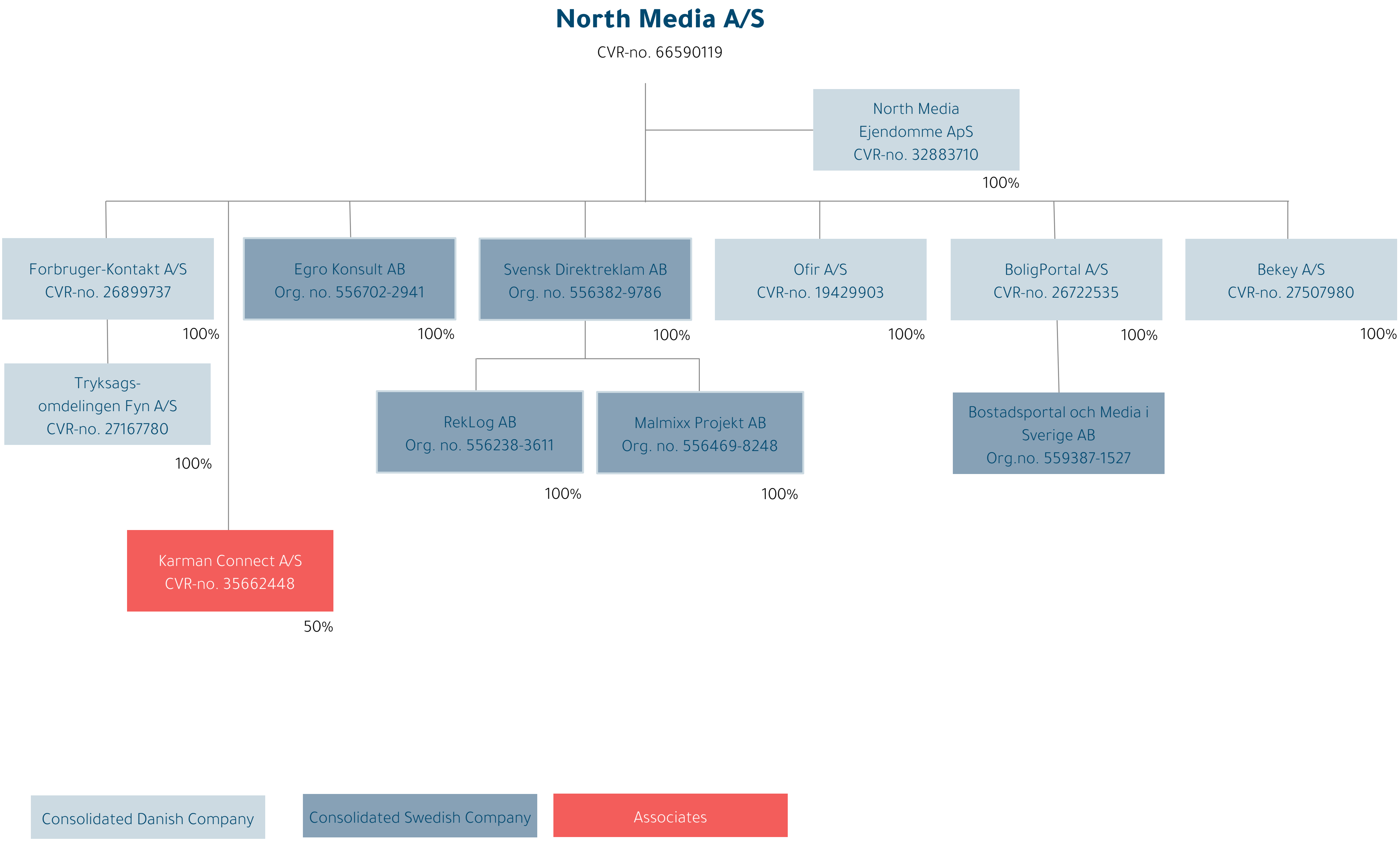
As of 1 January 2024, North Media's subsidiary FK Distribution has acquired the software company Avious's activities within the publication of online catalogues and offers for a total of DKK 7 million.

In addition, no events had occurred at the release of this Annual Report on 29 February 2024 which will affect users interpretation of the Annual Report.

Note 39 Authorisation of the consolidated financial statements

At the Board meeting on 29 February 2024, the Board of Directors authorised this Annual Report for publication. The Annual Report will be submitted for approval at the Annual General Meeting on 12 April 2024.

Note 40 Group chart at 31 December 2023



Parent financial statements

Financial statement 1 January - 31 December 2023

Parent income statement

DKKm	Note	2023	2022
Revenue		30.9	23.0
Staff costs	43	35.8	26.0
Other external expenses	44	18.2	10.4
Amortisation and depreciation		0.0	0.1
EBIT		-23.1	-13.5
Share of profits/losses in subsidiaries	45	137.6	158.2
Share of profits/losses in associates	45	2.6	4.9
Financial income	46	193.0	7.0
Financial expenses	46	7.9	202.0
Profit/loss before tax		302.1	-45.3
Tax for the year	47	37.1	-45.6
Net profit/loss for the year		265.0	0.3

Parent balance sheet at 31 December

Assets

DKKm	Note	2023	2022
Operating equipment, fixtures and fittings		0.7	0.8
Property, plant and equipment	48	0.7	0.8
Investment in subsidiaries	49	681.4	408.2
Investment in associates	50	9.6	12.0
Other securities and investments	51	5.7	4.2
Deferred tax asset	52	1.0	12.2
Other receivables	53	3.8	3.8
Fixed asset investments		701.6	440.5
Total non-current assets		702.3	441.3
Receivables from subsidiaries		44.3	58.9
Other receivables		1.9	0.0
Prepayments		1.1	0.7
Total receivables		47.3	59.6
Securities	54	652.4	577.5
Cash		50.0	164.7
Total current assets		749.8	801.7
Total assets		1,452.1	1,243.0

Equity and liabilities

DKKm	Note	2023	2022
Share capital	55	100.3	100.3
Retained earnings	56	932.2	770.4
Proposed dividend	56	80.2	80.2
Shareholders' equity		1,112.7	950.9
Purchase price payable	57	20.3	0.0
Total non-current liabilities		20.3	0.0
Purchase price payable		9.7	0.0
Trade payables	57	4.9	1.2
Payables to subsidiaries		272.5	274.8
Income tax payable	58	22.7	10.3
Other payables		9.4	5.7
Total current liabilities		319.1	292.0
Total liabilities		339.4	292.0
Total equity and liabilities		1,452.1	1,243.0
Rental obligations	59		
Contingent liabilities	60		
Related parties	61		
Subsequent events	62		

Parent statement of changes in equity

DKKm	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2022	100.3	836.8	100.3	1,037.3
Changes in equity in 2022				
Foreign currency translation adjustments, foreign subsidiaries and associates	0.0	0.0	0.0	0.0
Net profit/loss for the year	0.0	-79.9	80.2	0.3
Dividend paid	0.0	0.0	-100.3	-100.3
Dividend on treasury shares	0.0	8.2	0.0	8.2
Sales of treasury shares	0.0	10.1	0.0	10.1
Tax on options	0.0	-4.9	0.0	-4.9
Share-based payment	0.0	0.2	0.0	0.2
Total changes in equity in 2022	0.0	-66.3	-20.1	-86.4
Equity at 31 December 2022/1 January 2023	100.3	770.4	80.2	950.9
Changes in equity in 2023				
Foreign currency translation adjustments, foreign subsidiaries and associates	0.0	-0.2	0.0	-0.2
Net profit/loss for the year	0.0	184.8	80.2	265.0
Dividend paid	0.0	0.0	-80.2	-80.2
Dividend on treasury shares	0.0	6.0	0.0	6.0
Sales of treasury shares	0.0	-29.3	0.0	-29.3
Tax on options	0.0	0.3	0.0	0.3
Share-based payment	0.0	0.2	0.0	0.2
Total changes in equity in 2023	0.0	161.8	0.0	161.8
Equity at 31 December 2023	100.3	932.2	80.2	1,112.7

Notes to the parent financial statement

Note 41 Basis of accounting

The parent financial statements have been pre-pared in accordance with the provisions of the Danish Financial Statements Act for reporting class D enterprises.

The Annual Report is presented in Danish kroner.

Accounting policies are unchanged compared with 2022.

No cash flow statement has been prepared for the Parent, see section 86(4) of the Dan-ish Financial Statements Act.

Note 42 Accounting policies

The Parent's recognition and measurement criteria are identical to the Group's accounting policies except in the following are:

Income statement

Revenue

Revenue of the Parent is composed of intercompany management fees.

Profits or losses from investments in subsidiaries

The Parent's profit or loss includes the proportionate share of the net profits or losses of the individual group enterprises after full elimination of intra-group gains or losses and net of amortisation of goodwill.

Balance sheet

Investments

Investments in group enterprises are measured according to the equity method in the balance sheet at the proportionate share of net asset value plus goodwill regarding such group enterprises.

In the parent financial statements, goodwill is amortised based on the principles below. Goodwill is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised over its estimated economic life which is determined based on Management's experience of the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period which is not more than ten years and longest for strategically acquired companies with a strong market position and a long-term earnings profile. Amortisation of goodwill is recognised in the income statement under investments in subsidiaries.

The value of group enterprises inclusive of goodwill is tested for impairment in the event of any indication of impairment. The value of group enterprises is written down to the higher of value in use and net selling price of the individual group enterprise.

Subsidiaries with a negative net asset value are measured at DKK 0 and any amount due from these companies is written down by the Parent's share of the negative net asset value to the extent that it is found to be uncollectible. Should the negative net asset value exceed the amount due, the remaining amount will be recognised under provisions to the extent that the Parent has a legal or constructive obligation to cover the liabilities of the company concerned and a loss is expected to follow from this.

Dividend

Dividend expected to be paid for the year is presented as a separate item under equity.

Note 43 Employees and staff costs

	2023	2022
Average number of employees	21.0	14.0

DKKm	2023	2022
Total amount of wages, salaries and remuneration for the year:		
Wages and salaries including holiday pay	28.8	16.4
Defined contribution plans	2.1	1.3
Other social security costs	0.0	0.0
Fee to the Board of Directors	0.7	2.6
Other staff costs	4.2	5.8
Total staff costs	35.8	26.0

Reference is made to Note 7 to the consolidated financial statements for a description of share-based payment.

Remuneration of the Board of Directors and the Executive Board

2023 DKKm	Board of Directors	Executive Board	Total
Wages and salaries	2.5	10.1	12.6
Defined contribution plans	0.0	1.3	1.3
Share-based payment	0.0	0.0	0.0
Total remuneration	2.5	11.4	13.9
Number of members	5	3	8

2022 DKKm	Board of Directors	Executive Board	Total
Wages and salaries	2.4	9.2	11.6
Defined contribution plans	0.0	1.3	1.3
Share-based payment	-0.2	0.2	0.0
Severance pay	0.0	1.2	1.2
Total remuneration	2.2	11.9	14.1
Number of members	5	3	8

Note 44 Fee to the auditors appointed by the Company in General Meeting

DKKm	2023	2022
PwC		
Statutory audit services	1.1	0.5
Tax services	0.2	0.2
Other services	0.1	0.3
Total fee to the auditors appointed by the Company in General Meeting	1.4	1.0

Fees for other assurance engagements provided for the Company by Pricewaterhouse-Coopers Statsautoriseret Revisionspartnerselskab amounted to DKK 0.3m in 2023 (2022: DKK 0.5m), which is included in the above numbers. The assistance consists primarily of other assurance statements as well as other services in general.

Note 45 Share of profits/losses in associates and subsidiaries

DKKm	2023	2022
Subsidiaries		
Share of profits/losses before tax	176.8	203.6
Share of tax	-39.2	-45.4
Total share of profits/losses in subsidiaries	137.6	158.2
Associates		
Share of profits/losses before tax	3.3	9.5
Share of tax	-0.7	-2.1
Amortisation goodwill	0.0	-2.5
Total share of profits/losses in associates	2.6	4.9

Note 46 Financial income and expenses

DKKm	2023	2022
Financial income		
Dividend	6.2	5.9
Net capital gains on shares	183.1	0.0
Other financial income	3.7	1.1
Total financial income	193.0	7.0
Financial expenses		
Net capital loss on shares	0.0	200.1
Other financial expenses	7.9	1.9
Total financial expenses	7.9	202.0

Note 47 Income tax

DKKm	2023	2022
Income tax for the year is composed as follows:		
Current tax charges, incl. financing charges	25.3	-38.8
Adjustment relating to prior years	0.3	0.2
Changes in the deferred tax charge	11.4	-7.0
Total tax on profit/loss for the year, income	37.1	-45.6

Note 48 Property, plant and equipment

DKKm	2023	2022
Cost at 1 January	2.3	2.3
Cost at 31 December	2.3	2.3
Depreciation and impairment losses at 1 January	1.5	1.4
Depreciation for the year	0.0	0.1
Depreciation and impairment losses at 31 December	1.5	1.5
Carrying amount at 31 December	0.8	0.8
Depreciated over (years)	3-5	3-5

Note 49 Investments in subsidiaries

DKKm	2023	2022
Cost at 1 January	432.2	412.2
Additions for the year	280.8	20.0
Cost at 31 December	713.1	432.2
Net write-down according to the equity method at 1 January	-24.0	20.8
Translation adjustments	-0.3	0.0
Share of profit/loss for the year	137.6	158.2
Dividend received	-145.0	-203.0
Net write-down according to the equity method at 31 December	-31.7	-24.0
Carrying amount at 31 December	681.4	408.2
Of which, Added values	220.3	0.0

		Ownership	
DKKm	Registered office	2023	2022
Forbruger-kontakt A/S	Taastrup	100.0%	100.0%
Svensk Directreklam AB	Uppsala, Sverige	100.0%	0.0%
Egro Konsult AB	Uppsala, Sverige	100.0%	0.0%
Boligportal A/S	Aarhus	100.0%	100.0%
Ofir A/S	Søborg	100.0%	100.0%
Bekey A/S	Søborg	100.0%	100.0%
North Media Ejendomme ApS	Søborg	100.0%	100.0%

Reference is made to Note 40 for the Group chart

Note 50 Investments in associates

DKKm	2023	2022
Cost at 1 January	10.4	10.4
Cost at 31 December	10.4	10.4
Net write-down at 1 January	1.7	-2.3
Amortisation goodwill	0.0	-2.5
Share of profit/loss for the year	2.6	7.4
Dividend received	-5.0	-1.0
Net write-down at 31 December	-0.8	1.7
Carrying amount at 31 December	9.6	12.0
Of which, goodwill	0.0	0.0

DKKm	Registered office	Ownership 2023	Ownership 2022
Karman Connect A/S	Aarhus	50.0%	50.0%

Reference is made to Note 40 for the Group chart

Note 51 Other securities and investments

DKKm	2023	2022
Cost at 1 January	1.9	1.9
Cost at 31 December	1.9	1.9
Net write-down at 1 January	2.3	0.3
Interest attribution	1.5	1.9
Share of profit/loss for the year	0.0	0.2
Net write-down at 31 December	3.8	2.3
Carrying amount at 31 December	5.7	4.2

Note 52 Deferred tax

DKKm	2023	2022
Deferred tax at 1 January	-12.2	-10.1
Deferred tax for the year included in net profit/loss for the year	11.4	-7.0
Deferred tax share-based options included in the equity	-0.3	4.9
Deferred tax at 31 December, (- = assets / + = liability)	-1.0	-12.2

Specification of deferred tax:	Assets	Liabilities	Total 2023
Property, plant and equipment	0.1	0.0	-0.1
Fixed asset investments	0.6	0.0	-0.6
Current assets	0.0	-0.6	-0.6
Share-based options	0.0	0.2	0.2
	0.7	-0.4	-1.0

	Assets	Liabilities	Total 2022
Property, plant and equipment	0.2	0.0	-0.2
Share-based options	0.0	-1.3	-1.3
Tax losses carried forward	0.0	-10.7	-10.7
	0.2	-12.0	-12.2

Note 53 Other receivables

DKKm	2023	2022
Other receivables, 1 January	3.8	3.8
Additions for the year	0.0	0.0
Other receivables, 31 December	3.8	3.8

Note 54 Securities

	Adjustment of fair value, profit/loss	Fair value at 31 December
Listed securities, DKKm	183.1	652.4

Note 55 Share capital

Reference is made to Note 21 to the consolidated financial statements for a description of the share capital.

Note 56 Attributable, net profit/loss

DKKm	2023	2022
Retained earnings	184.8	-79.9
Proposed dividend	80.2	80.2
Net profit/loss for the year	265.0	0.3

Note 57 Purchase price payable

Reference is made to Note29to the consolidated financial statements for a description of the Purchase price payble.

Note 58 Income tax payable

DKKm	2023	2022
Income tax payable at 1 January	10.3	-6.3
Current tax for the year	25.3	-38.8
Adjustments for prior years	0.3	0.2
Tax payable under the joint taxation arrangement	31.3	53.8
Income tax paid for the year	-44.6	1.5
Income tax payable at 31 December	22.7	10.4

Note 59 Rental obligations

DKKm	2023	2022
Future total expenses related to rental obligations		
Due within 1 year	1.2	0.7
Due within 1 and 5 years	0.0	0.0
Total	1.2	0.7
With respect to rental obligations, the following amounts have been recognised in the income statement:	1.2	0.7

Note 60 Contingent liabilities

The Group participates in a Danish joint taxation arrangement in which Baunegård ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Group is therefore liable for income taxes and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The total known joint taxation liability is evident from the financial statements of Baunegård ApS..

Reference is made to Note 31 to the consolidated financial statements for a description of the investment in Copenhagen Infrastructure Partners.

In a decision announced on 30 June 2020, the Competition and Consumer Authority ruled that Forbruger-kontakt A/S had violated the prohibition against abusing a dominant position by applying tying conditions in its con-tracts with customers in the period 2018, to October 2019. In a decision of 28 April 2021, the Danish Competition Appeals Board upheld the Competition and Consumer Authority'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 avail-able, a liability cannot be reliably estimated.

In addition to the above, North Media is in-volved in certain lawsuits and disputes. Management does not expect the outcome of these lawsuits and disputes to go against North Media. However, should this unexpectedly occur, management believes that this will not significantly affect North Media A/S' financial position, operating profit or cash flows.

Note 61 Related parties

Reference is made to Note 33 to the consolidated financial statements for a description of related party transactions.

Note 62 Subsequent events

Reference is made to Note 38 to the consolidated financial statements for a description of subsequent events.

Group addresses

Parent

North Media A/S
Gladsaxe Møllevej 28
DK-2860 Søborg
CVR-no. 66 59 01 19
Telephone: +45 39 57 70 00
www.northmedia.dk

Associates

Karman Connect A/S
Dalgas Avenue 2 F, 2.
DK-8000 Aarhus C
CVR-no. 35 66 24 48
www.karmanconnect.com

Subsidiaries

Forbruger-Kontakt A/S
FK Distribution A/S
Bredebjergvej 6
DK-2630 Taastrup
CVR-no. 26 89 97 37
Telephone: +45 43 43 99 00
www.fk.dk

Ofir A/S
Gladsaxe Møllevej 26
DK-2860 Søborg
CVR-no. 19 42 99 03
Telephone: +45 36 95 95 95
www.ofir.dk

North Media Ejendomme ApS
Gladsaxe Møllevej 28
DK-2860 Søborg
CVR-no. 32 88 37 10
Telephone: +45 39 57 70 00

RekLog AB
Box 3004
SE-136 03 Hanninge
Org. no. 556238-3611
Telephone: +46 8 562 691 00
www.reklog.se

Malmixx Projekt AB
Box 1524
SE-751 45 Uppsala
Org. no. 556469-8248
Telephone: +46 018 17 21 00

Egro Konsult AB
Box 1524
SE-751 45 Uppsala
reg-no. 556702-2941

Tryksagsomdel. Fyn A/S
FK Distribution Fyn A/S
Ryttermarken 4B
DK-5700 Svendborg
CVR-no. 27 16 77 80
Telephone: +45 62 22 22 22
www.fk.dk

BoligPortal A/S
Paludan-Müllers Vej 40B
DK-8200 Aarhus N
CVR-no. 26 72 25 35
Telephone: +45 70 20 80 82
www.boligportal.dk

Bekey A/S
Gladsaxe Møllevej 28
DK-2860 Søborg
CVR-no. 27 50 79 80
Telephone: +45 43 43 99 90
www.bekey.dk

SDR Svensk Direktreklam AB
Fyrisborgsgatan 2
SE-751 45 Uppsala
Org. no. 556067-0274
Telephone: +46 018´17 21 00
www.sdr.se

Bostadsportal och Media I Sverige AB
Gustav III:s Boulevard 42
SE-169 73 Solna
Org. no. 559387-1527
www.bostadsportal.se

North Media A/S

Gladsaxe Møllevej 28
DK - 2860 Søborg
Telephone: +45 39 57 70 00
E-mail: investor@northmedia.dk
www.northmedia.dk
CVR-no. 66 59 01 19

NORTH MEDIA A/S