

Ascom Danmark A/S

Delta Park 46, 3.
2665 Vallensbæk Strand
CVR No. 13235686

Annual report 2021

The Annual General Meeting adopted the annual report on 03.05.2022

Jens Andersen

Chairman of the General Meeting

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Entity details

Entity

Ascom Danmark A/S
Delta Park 46, 3.
2665 Vallensbæk Strand

Business Registration No.: 13235686
Registered office: Vallensbæk
Financial year: 01.01.2021 - 31.12.2021
Phone number: 70203883
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E-mail: info@ascom.dk

Board of Directors

Adrian Livingston Williams, Chairman
Jens Andersen
Kim Brun Sørensen
Christophe Scheidegger
Anja Schmidt Edvardsen

Executive Board

Jens Andersen

Bank

Nordea Bank Danmark A/S
Vestergade 13
8600 Silkeborg

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
CVR No.: 33771231

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Ascom Danmark A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Vallensbæk, 03.05.2022

Executive Board

Jens Andersen

Board of Directors

Adrian Livingston Williams
Chairman

Jens Andersen

Kim Brun Sørensen

Christophe Scheidegger

Anja Schmidt Edvardsen

Independent auditor's report

To the Shareholders of Ascom Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Ascom Danmark A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 03.05.2022

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

CVR No. 33771231

Kaare von Cappeln

State-Authorised Public Accountant

Identification No (MNE) mne11629

Thomas Lauritsen

State-Authorised Public Accountant

Identification No (MNE) mne34342

Management commentary

Primary activities

Ascom is a global solutions provider focused on healthcare ICT and mobile workflow solutions. The vision of Ascom is to close digital information gaps allowing for the best possible decisions – anytime and anywhere.

Ascom Danmark A/S' main activities are sales, installation and servicing of our solutions primarily in the healthcare sector (regions and municipalities) and the security sector.

The solutions from Ascom Danmark A/S are sold in Denmark as well as Greenland, the Faroe Islands and Iceland.

Development in activities and finances

The company's revenue in 2021 ended at TDKK 95.260 which is a decrease compared to the extraordinary high level in 2020 also with an impact from the pandemic and world-wide component shortage, but still the company continues on a growth path in a longer-term perspective. We are seeing growth in projects within the Healthcare segment, and we are also successful in growing solution lifecycle plans. The Hospital segment is our key market with 63% of revenue in 2021.

Result for the year amounts to TDKK 2.590, which is a significant improvement over the lower results in previous years. The improvement is a result of the high level of revenue, combined with better control of the deliveries of our projects and services.

The interest in sophisticated state-of-the-art digital workflow, communication and collaboration solutions is increasing substantially. Ascom is in the unique position to offer a broad solutions portfolio combining devices, software and services to tangibly address these quickly evolving customer needs in an efficient manner. We continue to invest in solutions for digitalization of workflows especially in Hospitals and Nursing homes.

We have been monitoring the corona/covid-19 situation and taking the measures deemed appropriate. We have taken proactive measures to avoid large scale outbreaks between our employees.

ESG (environmental, social and governance) issues are becoming more relevant in employer branding and in Ascom's daily business, as customers are increasingly evaluating their suppliers' strategic approach to ESG criteria as part of their tendering and procurement processes.

Events after the balance sheet date

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2021

	Notes	2021 DKK'000	2020 DKK '000
Revenue		95,260	100,138
Other external expenses		(49,761)	(55,766)
Gross profit/loss		45,499	44,372
Staff costs	1	(42,209)	(43,063)
Depreciation, amortisation and impairment losses	2	(141)	(217)
Other operating expenses		0	(180)
Operating profit/loss		3,149	912
Other financial income		(4)	(5)
Other financial expenses	3	(485)	(540)
Profit/loss before tax		2,660	367
Tax on profit/loss for the year	4	(70)	363
Profit/loss for the year		2,590	730
Proposed distribution of profit and loss:			
Retained earnings		2,590	730
Proposed distribution of profit and loss		2,590	730

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Other fixtures and fittings, tools and equipment		234	109
Leasehold improvements		766	328
Property, plant and equipment	5	1,000	437
Other receivables		440	1,011
Financial assets	6	440	1,011
Fixed assets		1,440	1,448
Manufactured goods and goods for resale		554	488
Inventories		554	488
Trade receivables		22,462	22,207
Contract work in progress	12	37,453	40,906
Receivables from group enterprises		9	1,327
Deferred tax	7	1,349	1,419
Other receivables		23	3
Prepayments	8	30	100
Receivables		61,326	65,962
Cash		17,368	10,873
Current assets		79,248	77,323
Assets		80,688	78,771

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital	9	1,200	1,200
Retained earnings		7,883	5,293
Equity		9,083	6,493
Other provisions	10	919	1,117
Provisions		919	1,117
Payables to group enterprises		9,280	8,900
Non-current liabilities other than provisions	11	9,280	8,900
Contract work in progress	12	20,752	13,803
Trade payables		2,383	2,848
Payables to group enterprises		6,623	15,971
Other payables		23,446	24,946
Deferred income	13	8,202	4,693
Current liabilities other than provisions		61,406	62,261
Liabilities other than provisions		70,686	71,161
Equity and liabilities		80,688	78,771
Unrecognised rental and lease commitments	14		
Assets charged and collateral	15		
Group relations	16		

Statement of changes in equity for 2021

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,200	5,293	6,493
Profit/loss for the year	0	2,590	2,590
Equity end of year	1,200	7,883	9,083

Notes

1 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	39,106	39,828
Pension costs	2,728	2,505
Other social security costs	121	565
Other staff costs	254	165
	42,209	43,063
Average number of full-time employees	52	49

2 Depreciation, amortisation and impairment losses

	2021 DKK'000	2020 DKK'000
Depreciation of property, plant and equipment	141	81
Impairment losses on property, plant and equipment	0	136
	141	217

3 Other financial expenses

	2021 DKK'000	2020 DKK'000
Financial expenses from group enterprises	169	210
Exchange rate adjustments	1	3
Other financial expenses	315	327
	485	540

4 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Change in deferred tax	70	(363)
	70	(363)

5 Property, plant and equipment

	Other fixtures and fittings, tools and	Leasehold equipment	improvements
	DKK'000	DKK'000	
Cost beginning of year	583	914	
Additions	175	529	
Cost end of year	758	1,443	
Depreciation and impairment losses beginning of year	(474)	(586)	
Depreciation for the year	(50)	(91)	
Depreciation and impairment losses end of year	(524)	(677)	
Carrying amount end of year	234	766	

6 Financial assets

	Other receivables	DKK'000
Cost beginning of year	1,011	
Disposals	(571)	
Cost end of year	440	
Carrying amount end of year	440	

7 Deferred tax

	2021 DKK'000	2020 DKK'000
Property, plant and equipment	72	182
Receivables	69	32
Tax losses carried forward	1,208	1,205
Deferred tax	1,349	1,419

	2021 DKK'000	2020 DKK'000
Changes during the year	DKK'000	DKK'000
Beginning of year	1,419	1,056
Recognised in the income statement	(70)	363
End of year	1,349	1,419

8 Prepayments

Prepayments concerns prepaid costs.

9 Share capital

	Number	Par value DKK'000	Nominal value DKK'000
Contributed capital	1,000	1200	1,200
	1,000		1,200

10 Other provisions

Other provisions concerns guarantee provisions.

11 Non-current liabilities other than provisions

	Due after more than 12 months	2021	DKK'000
Payables to group enterprises		9,280	9,280

12 Contract work in progress

	2021	2020
	DKK'000	DKK'000
Sales value of the periods production	52,674	49,577
Prepayments received	(35,973)	(22,474)
	16,701	27,103
Shown in the balance as such:		
Contract work in progress (assets)	37,453	40,906
Received prepayments on work in progress (liabilities)	(20,752)	(13,803)
	16,701	27,103

Uncertainty relating to recognition and measurement of contract work in progress

As in any orderproducing company the statement of contract work in progress is influenced by some uncertainty, because it is difficult to compose an accurate statement on a specific date in time.

The contract work in progress is therefore estimated based on the progress of each case under consideration of degree of completion and the expected endresult on the day of the estimation including an estimate of the costs related to finishing the projects.

13 Deferred income

Defered income concerns accrued revenue.

14 Unrecognised rental and lease commitments

	2021	2020
	DKK'000	DKK'000
Liabilities under rental or lease agreements until maturity in total	15,865	15,017

15 Assets charged and collateral

The following assets have been provided as security for bank obligations:

Letter of indemnity - a company charge of DKK 11,000 thousand granting a charge on intangible assets, property, plant and equipment, trade receivables and inventories with a total book value of DKK 24,016 thousand at 31.12.2021.

Contractual obligations

Upon participation in competitive bidding and conclusion of sales contracts, the usual guarantees have been provided regarding tender, advance payments and performance. The guarantees have a total value of DKK 11,675 thousand at 31.12.2021.

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Ascom Holding AG, Switzerland

The Annual Group Report for Ascom Holding AG can be found on the following address:
Zugerstrasse 32, CH-6340 Baar or the website www.ascom.com

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

The financial statements are presented in DKK.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other operating expenses

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

Other financial income

Other financial income comprises interest income, Including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	8 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

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"By my signature I confirm all dates and content in this document."

Anja Schmidt Edvardsen

Bestyrelsesmedlem

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2022-05-03 09:24:58 UTC

NEM ID 

Jens Andersen

Adm. direktør

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Kim Brun Sørensen

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Adrian Livingston Williams

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Thomas Lauritsen

Statsautoriseret revisor

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Kaare von Cappeln

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

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Jens Andersen

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