

# **Acer Denmark A/S**

Strandvejen 70, 3 tv.

2900 Hellerup

CVR No. 15516445

## **Annual Report 2016**

1 January - 31 December

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 20 June 2017

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Tai-Chi Shih  
Chairman

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## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of Acer Denmark A/S for the financial year 1 January 2016 - 31 December 2016.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January 2016 - 31 December 2016.

In our opinion, the Management's review includes a fair review of the development in the Company's operations and its financial position.

We recommend that the Annual Report be approved at the annual general meeting.

Hellerup, 20 June 2017

### **Executive Board**

Emmanuel Fromont

### **Board of directors**

Tai-Chi Shih  
Chairman

Emmanuel Fromont

Niels Bjørling

## Independent Auditor's Report

### To the shareholders of Acer Denmark A/S

#### Opinion

We have audited the financial statements of Acer Denmark A/S for the financial year 1 January 2016 - 31 December 2016, comprising accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January 2016 - 31 December 2016 in accordance with the Danish Financial Statements Act.

#### 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 "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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control

evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management

## Independent Auditor's Report

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.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 20 June 2017

**KPMG**

**Statsautoriseret Revisionspartnerselskab**

CVR. 25578198

Kenn W. Hansen

State Authorised Public Accountant

**Company details**

<b>Company</b>	Acer Denmark A/S Strandvejen 70, 3 tv. 2900 Hellerup
Telephone	39168800
Telefax	39168801
CVR No.	15516445
Date of formation	1 October 1991
Registered office	Gentofte
Financial year	1 January 2016 - 31 December 2016
<b>Board of Directors</b>	Tai-Chi Shih, Chairman Emmanuel Fromont Niels Bjørling
<b>Executive Board</b>	Emmanuel Fromont
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 29 2100 København Ø CVR-no.: 25578198

## Management's Review

### Principal activities of the Company

Acer Denmark A/S acts as marketing company for Acer Computer GmbH. As consideration for the company's activities in Denmark the company is paid marketing and services fee at cost-plus basis and at the intervals that are mutually agreed by both parties.

The organizational solution and compensation model is based on the goal of maintaining an efficient organization with low costs and an increased focus on to commit marketing and services related to Acer products.

### Development in activities and financial position

The Company's Income Statement of the financial year 1 January 2016 - 31 December 2016 shows a result of DKK -331.524 and the Balance Sheet at 31. december 2016 shows a balance sheet total of DKK 6.371.505 and an equity of DKK 3.570.985.

The negative result for 2016 is due to the foreseeable but uncommitted expenses brought forward from 2015. The management considered that the 2016 result of the company is commensurate with the activities of the company on a rolling basis. Overall, the company is making a positive result in the past and in the foreseeable future to come.

The result for 2016 is unsatisfactory and the expectations for 2017 is a positive result.

### Expectations for the future

With the effective Danish organization and maintenance of marketing and services for Acer Computer GmbH, we anticipate stable economic development of the company.

### Risks

With the solution and compensation model based on the goal of maintaining an efficient organization with low costs and an increased focus on to commit marketing and services related to Acer products we expect no risk for the future for the company.

### Subsequent events

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

## Accounting Policies

### General Information

The Annual Report of Acer Denmark A/S for 2016 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015. The changes have no monetary effect on the income statement or the balance sheet for 2016 or for the comparative figures.

#### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction.

Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet date. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

Non-current assets bought in foreign currencies are measured at the exchange rate at the transaction date.

#### Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value. Moreover, expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the liability will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

### Income Statement

#### Revenue

Income from services are recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end and that income can be reliably measured and is expected to be received. The revenue is calculated exclusive of VAT, charges and discounts.

Representative fee is recognised at the time where the underlying transaction was performed.

#### Gross profit

It has been decided only to disclose gross profits in accordance with Section 32 of the Danish Financial Statements Act.



## Accounting Policies

### Personnel costs

Personnel costs include salaries and wages, including holiday allowance, pension and other social security costs, etc. to the company's employees excluding refunds from public authorities.

### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts that relate to the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding foreign currency transactions as well as surcharges and allowances under the on-account tax scheme.

### Tax on profit for the year

Tax on profit for the year comprises current tax on expected taxable income for the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Balance Sheet

### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

### Prepayments

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### Equity -dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date).

The expected dividend payment for the year is disclosed as a separate item under equity.

### Debt

Debt are measured at amortized cost which normally corresponds to net realisable value.

### Current tax liabilities

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; as a set-off against tax on future income.

Deferred tax is determined on the basis of the current tax regulations and tax rates.

## Income Statement

	Note	2016 DKK	2015 DKK
<b>Gross profit</b>		<b>11.237.857</b>	<b>11.371.518</b>
Personnel costs	1	-11.613.938	-9.124.602
<b>Ordinary operating profit</b>		<b>-376.081</b>	<b>2.246.916</b>
Financial income		11.790	16.026
Financial expenses		-18.469	-116.049
<b>Profit before tax</b>		<b>-382.760</b>	<b>2.146.893</b>
Tax expense on ordinary activities	2	51.236	-516.973
<b>Profit for the year</b>		<b>-331.524</b>	<b>1.629.920</b>
<b>Proposed distribution of earnings</b>			
Retained earnings		-331.524	1.629.920
		<b>-331.524</b>	<b>1.629.920</b>

**Balance Sheet as of 31. December**

	<b>Note</b>	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>Assets</b>			
<b>Receivables</b>			
Receivables from group enterprises		3.291.241	3.071.650
Other receivables		835.425	285.624
Deferred tax asset	3	172.127	110.600
Tax receivables		86.000	0
Prepayments		144.666	30.349
<b>Receivables</b>		<b>4.529.459</b>	<b>3.498.223</b>
<b>Cash and cash equivalents</b>		<b>1.842.046</b>	<b>2.549.321</b>
<b>Total current assets</b>		<b>6.371.505</b>	<b>6.047.544</b>
<b>Total assets</b>		<b>6.371.505</b>	<b>6.047.544</b>

## Balance Sheet as of 31. December

	Note	2016 DKK	2015 DKK
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	4	1.000.000	1.000.000
Retained earnings	5	2.570.985	2.902.509
Proposed dividend	6	0	0
<b>Total equity</b>		<b>3.570.985</b>	<b>3.902.509</b>
<b>Liabilities other than provisions</b>			
Current liabilities other than provisions		0	0
Trade payables		876.091	347.758
Tax payables		0	289.016
Other payables		1.924.429	1.508.261
<b>Total current liabilities other than provisions</b>		<b>2.800.520</b>	<b>2.145.035</b>
<b>Total liabilities other than provisions</b>		<b>2.800.520</b>	<b>2.145.035</b>
<b>Total liabilities and equity</b>		<b>6.371.505</b>	<b>6.047.544</b>
Contractual obligations and contingencies, etc.	7		
Related parties	8		

## Notes

**1. Personnel costs**

DKK	2016	2015
Wages and salaries	10.902.062	8.441.454
Pensions	659.231	617.497
Social security contributions	52.645	65.651
	<b>11.613.938</b>	<b>9.124.602</b>
Average number of employees	11	9

**2. Tax on profit**

DKK		
Current tax for the year	0	479.009
Adjustment of deferred tax for the year	-61.527	37.964
Adjustment of tax regarding previous years	10.291	0
	<b>-51.236</b>	<b>516.973</b>

**3. Deferred tax asset**

DKK		
Deferred tax asset at 1 January	110.600	148.564
Deferred tax asset, adjustment for the year	61.527	-37.964
<b>Deferred tax asset at 31 December</b>	<b>172.127</b>	<b>110.600</b>

Deferred tax assets arise as a result of excess tax value of fixed assets.

**4. Equity**

DKK		
Share capital at 1 January	1.000.000	1.000.000
<b>Share capital at 31 December</b>	<b>1.000.000</b>	<b>1.000.000</b>

The share capital consist of 100 shares of each DKK 10.000.

The share capital has remained unchanged for the last 5 years.

**5. Retained earnings**

DKK		
Retained earnings at 1 January	2.902.509	1.272.589
Profit for the year	-331.524	1.629.920
<b>Retained earnings at 31 December</b>	<b>2.570.985</b>	<b>2.902.509</b>

## Notes

### 6. Proposed dividend

DKK	2016	2015
Proposed dividend at 1 January	0	3.000.000
Dividend paid	0	-3.000.000
<b>Proposed dividend at 31 December</b>	<b>0</b>	<b>0</b>

### 7. Contractual obligations and contingencies, etc.

Operating leases

The Company has operating leases and rent commitment which fall due as follows:

DKK		
0-1 year	501.627	496.716
1-5 years	1.228.666	1.673.751
	<b>1.730.293</b>	<b>2.170.467</b>

### 8. Related parties

Acer Denmark A/S's related parties include the following:

#### Ownership

The company's immediate parent company where consolidated accounts are prepared is Acer Europe BV. The ultimate parent company where consolidated accounts are prepared is Acer Inc., Taiwan.

The group annual reports are obtainable from the company's address.

The following shareholders are listed in the company register as owning a minimum of 5% of the votes or a minimum of 5% of the share capital:

Acer Computer B.V.  
Europalaan 89  
5232 BC's-Hertogenbosch  
The Netherlands

#### Other related parties

Associated companies in the Acer group.

#### Transactions with related parties

Acer Denmark A/S is the marketing company to its related company Acer Computer GmbH, and is continuously evaluated and remunerated on a rolling basis based on a cost plus mechanism.