

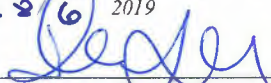
# Dell A/S

Arne Jacobsens Allé 17  
DK-2300 København S  
Denmark

CVR-nr. 18 29 67 99

*Annual Report for the Financial Year 1 February 2018 –  
31 January 2019*

*The Annual Report was presented and adopted  
at the Annual General Meeting of the Company  
on 28<sup>6</sup> 2019*



Chairman

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### ***Management's Statement on the Annual Report***

The board of directors and executive board have today considered and adopted the annual report of Dell A/S for the Financial Year 1 February 2018 - 31 January 2019.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 January 2019 of the Company and of the results of the Company's operations for the Financial Year 1 February 2018 - 31 January 2019.

In our opinion, Management's review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, on 28 June 2019

#### ***Executive Board***



Ulrik Kjeldgaard

#### ***Board of Directors***



Henrik Fogelstrøm Thomsen  
Chairman



Ulrik Kjeldgaard

Robert Linn Potts

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#### *Executive Board*

Ulrik Kjeldgaard

#### *Board of Directors*

Henrik Fogelstrom Thomsen  
*Chairman*

Ulrik Kjeldgaard



Robert Linn Potts

## ***Independent Auditor's Report***

**To the Shareholders of Dell A/S**

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 January 2019, and of the results of the Company's operations for the financial year 1 February 2018 - 31 January 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Dell A/S for the financial year 1 February 2018 – 31 January 2019, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("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' 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 requirements. 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 override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

København, 28 June 2019

**PricewaterhouseCoopers**

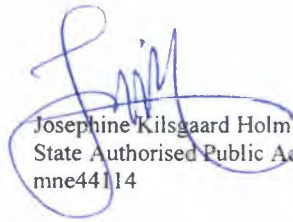
Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Carsten Nielsen

State Authorised Public Accountant  
mne30212



Josephine Kilsgaard Holm

State Authorised Public Accountant  
mne44114

## ***Company Information***

### ***The company***

Dell A/S  
Arne Jacobsens Allé 17  
DK-2300 København S  
Denmark

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*Facsimile:* +45 32 87 12 01

*Website:* [www.dell.dk](http://www.dell.dk)

*CVR-No.:* 18 29 67 99

*Municipality of  
reg. office: Copenhagen*

### ***Board of Directors***

Henrik Fogelstrøm Thomsen (*Chairman*)  
Ulrik Kjeldgaard  
Robert Linn Potts

### ***Executive Board***

Ulrik Kjeldgaard

### ***Lawyers***

Bech-Bruun  
Langelinie Allé 35  
2100 København Ø  
Denmark

### ***Auditors***

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup  
Denmark

### ***Banks***

Citibank  
SEB



## Financial Highlights

Seen over a five-year period the development can be described by the following financial highlights:

Key figures	2018/2019	*2017/2018	2016/2017	2015/2016	2014/2015
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Profit/(loss) for the year</b>					
Net turnover	1 322 412	949 512	288 139	272 969	315 378
Gross profit/(loss)	214 878	187 052	203 107	167 060	208 428
Profit/(loss) before financial items	19 430	15 391	14 709	13 052	15 190
Net financials	-1 361	-3 480	-100	-371	-287
Profit/(loss) before tax	18 069	11 911	14 608	12 682	14 904
Profit/(loss) for the year	13 701	9 177	11 173	9 577	11 064
<b>Balance sheet</b>					
Balance sheet total	422 167	355 140	136 094	162 890	186 820
Equity	67 067	53 366	44 189	33 016	23 439
Investments in tangible fixed assets	1 651	1 497	646	2 292	1 209
Number of staff	177	178	186	199	242
<b>Ratios %</b>					
Gross margin	16.2	19.7	70.5	61.2	66.1
Profit margin	1.5	1.6	5.1	4.8	4.8
Return on net assets	4.6	4.3	10.8	8.0	8.1
Solvency ratio	15.9	15.0	32.5	20.3	12.5
Return on equity	22.8	18.8	28.9	33.9	32.6

\*On 3 June, 2017, the company has changed its business model to limited risk distributor resulting in increased turnover and new revenue streams relating to product revenue. The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysis. For definitions, see under accounting policies.

## **Management's Review**

### **The objects of the Company**

As in previous years the company's main activity has consisted of sale on a commission basis of data and other equipment, which is considered to be related by the Board of Directors. On June 3, 2017, the company has changed its business model to limited risk distributor resulting in increased turnover and new revenue streams relating to product revenue.

### **Development in the financial year**

The company has a profit after tax of DKK 13,701,398 compared to a result of DKK 9,176,730 last year.

Dell's focus on delivering complete IT products for our customers. We expect a continued focus on sales of IT products and services and thus strengthen our position in the Danish market in the coming years.

Considering the current market development, Management views the result for the year as satisfactory.

### **The Company's impact on external environment**

In its overall operations, the company takes into account laws relating to the protection of the environment (environmental laws). The Company considers that it meets the requirements of such laws and that it carries out procedures designed to encourage compliance and ensure that such requirements are met.

The company has adopted the necessary measures with respect to the protection and improvement of the environment and the minimisation, if applicable, of environmental impact, meeting the requirements of current environmental legislation.

### **Corporate Social Responsibility cf. section 99a of the Danish Financial Statement Act**

The company participates in Dell group's global guidelines. Dell strive to be a global leader in every aspect of our business and to do so with the utmost integrity and ethics. We are proud to share our progress in the following link, where we demonstrate how we're innovating at Dell to put our technology and expertise to work, creating new possibilities for our customers, partners, neighbors, team and planet:

<https://corporate.delltechnologies.com/en-us/social-impact/reporting/fy19-csr-report.htm>

### **Gender composition in Management, both in the executive board and in other management levels of The Danish Financial Statements Act § 99b**

It is the company's objective that the Board of Directors and management represent different educational backgrounds as well as both genders.

The company does not fulfil the requirement for not having an under-represented gender in the Board. It is the company's objective that the Board should include at least one member of the underrepresented gender. This objective is expected to be met by the end of the financial year 31 January 2020.

In the process of recruiting employees, priorities are professional and personal competences in relation to the right candidate for the position. If candidates have a similar level of competences, the candidate whose gender is under-represented in the management group will be preferred.

The company has a great focus on diversity hiring. Managerial positions were covered by 24% women and 76% men. We will continue our focus on diversity hiring in next financial years.

It is our policy to increase the number of women in other management levels and we will strive for a more positive attitude towards promoting/hiring women.

The company is committed to developing women across its global operations. We offer formal training, networking, mentoring and other resources to effectively advance our women around the globe. Professional development is important to our team members, which makes it a priority for us. That's why we're focused on preparing our female employees at all levels with the skills they need to advance in the workplace through mentoring, training, networking and more.

Further, we refer to the Dell Group's policy for empowering gender:  
<https://corporate.delltechnologies.com/en-us/social-impact/cultivating-inclusion/gender-empowerment.htm>

#### **Research and Development**

During the year ended 31 of January 2019, the company has not carried out any Research & Development activity. Those R&D activities are carried out at international manufacturing facilities of Dell Technologies Group.

#### **Knowledge resources**

People and teams and talent management are an integral part of the company's business and are key to continuing progress. Competition for talent is significant both within the industry and beyond it. The company attracts and retains its people through provision of on-going opportunity for career progression, training initiatives and continually identifying emerging managers and leaders within the company including talent management and graduate recruitment programs.

#### **Principal risks and uncertainties**

There are number of risks and uncertainties that can impact the performance of the company, some of which are beyond the control of the company and its directors.

**Market risk** – Risks are resulting from the competitive nature of the IT hardware business, the shift from desktops and notebooks to tablets and smartphones as well as the continuing adoption of public cloud offerings. The development towards an IT solution company with the expansion of the product portfolio especially in the area of storage, services and software will address those market developments.

**Currency risk** – The objective of company in managing its exposures to foreign currency exchange rate fluctuations is to reduce the impact of adverse fluctuations associated with foreign currency exchange rate changes on earnings and cash flows. The company closely monitors its foreign currency exchange exposures to ensure the overall effectiveness of its foreign currency hedge positions.

**Compliance risk** – The Company has implemented a comprehensive compliance management system to ensure regulatory compliance.

**Credit risk** – It is the Company's policy that all the customers who wish to trade on credit terms are subject to credit verification procedures. The company only offers these terms to recognized,

creditworthy third parties. In addition, receivables balances are monitored on an ongoing basis with the result that the Company's history of bad debt losses is not significant.

The company uses a range of information technology and decision support systems for provision of key services, control procedures and financial management. These systems are constantly reviewed and updated to meet the needs of the company.

#### **The expected development**

Management expects to continue existing business activities in Danish market in subsequent years.

Merger with EMC Computer Systems Danmark A/S is proposed in 2019, but no further details are available at this point of time.

#### **Significant events**

The company did not have during the financial year ended 31 January 2019 any events considered as significant by their substance.

## **Accounting Policies**

### **Basis of accounting**

The Annual Report of Dell A/S for 2018/2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting Class C.

With reference to § 86.4 in the Danish Financial Statements Act a cash flow statement has not been prepared and the Company refers to the cash flow statement for the intermediate parent company Dell Technologies Inc..

### **Changes in accounting policies**

The Company has decided to change revenue recognition criteria from postponing revenue until final transfer of risks and rewards has taken place, to revenue when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. As a base for reporting the Company has decided to implement the revenue recognition principles lined out in IFRS 15 Revenue from Contracts with Customer.

Under the new policy, recognition of sales of goods do not include changes in recognition of revenue from sales of standardized products. The effect of the new policy is limited to Installation contracts, Software and Peripherals, Returns Provisions, Extended Warranty Discount allocations, Sales Commissions and Rebates. The change will more accurately reflect the operational performance of revenue relating to these revenue streams.

The change in revenue recognition criteria has besides an effect on revenue and costs (cost of sales and staff expenses) had a related effect on trade receivables, other receivables and deferred revenue.

The comparative figures for 2017 and before have in accordance with IFRS 15 and the Danish Financial Statements Act been changed.

The change in accounting policies has resulted in an increase of revenue for 2017 of kDKK 14,162 and in cost of sales of kDKK 16,429. In addition staff expenses has decreased by kDKK 2,381. Profit for the year for 2017 has increased by DKK 88,847. In addition the change has resulted in a increase in equity as at 1 February 2018 by DKK 88,846. Besides this the change has affected the Company's trade receivables by kDKK 3,152 and other receivables by kDKK 999, while deferred revenue has decreased by kDKK 9,620 and payables to group enterprises has increased by kDKK 13,657. Total assets and total liabilities and equity has increased by kDKK 4,126.

Other than the changes in revenue recognition method above, the accounting policies applied remain unchanged from previous years.

### **Recognition and measurement**

The net turnover is recognised in the profit and loss account when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

The company allocates the contract value within the arrangement to the identified performance obligations based on its standalone selling price and recognizes revenue for the performance obligation when the customers obtains control of the promised asset at a point in time.

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any deductions and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

#### **Translation of foreign currencies**

During the year transactions in foreign currencies are translated at the rate of exchange as at the transaction date. Realised and unrealised exchange rate adjustments are included in the income statement under financial items.

Debtors, liabilities and other items in foreign currencies which are unsettled on the balance sheet date are translated at the exchange rate as at the balance sheet date. Realised and unrealised exchange rate adjustments are included in the income statement under financial items.

#### **Corporation tax and deferred tax**

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity. Any share of the tax reported in the income statement arising from profit/loss on extraordinary activities for the year is attributed to such activities, whereas the remaining share is attributed to profit/loss on ordinary activities for the year.

Current tax liabilities and current tax receivable are recognised in receivables in the balance sheet in the event of overpayment of tax on account, and in debt in the event of underpayment of tax on account.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning items where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income. In cases where the computation of the tax base may be made according

to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## **Income Statement**

### **Revenue**

The net turnover is recognized in the profit and loss account when a customer obtains control of promised goods or services in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services in accordance with IFRS 15 Revenue from Contracts with Customer. The following applies to the elements included in revenue.

- **Installation HW Deferrals**

Installation hardware is recognized in accordance with IFRS 15 for those contracts where collection requirements or business practices are capable of being distinct and for which the control over the goods has been transferred to the customer.

- **Software and Peripherals (S&P)**

3rd party licenses and PCS are separate performance obligations and have separate values. 3rd party licenses are recognized at the point of sale. PCS (Post Contract Support) is recognized over time.

- **Returns Provisions**

Returns Provisions is recognized and presented in provisions.

- **Services – Extended Warranty Discount Allocation**

Discounts are allocated across all performance obligations of the contract.

- **Costs to obtain**

Incremental costs of obtaining a contract, such as sales commissions, are capitalized if they are expected to be recovered and amortized over a period of time. For those obligations with revenue that are recognized over 12 months or more commissions are recognized as deferred costs. For those obligations with revenue that are recognized 12 months or less commissions are recognized upfront.

- **Rebates**

Rebates attributable to revenue recognized over more than 12 months are recognized as deferred costs.

### **Cost of goods sold**

Costs of goods sold comprise the procured products consumed to achieve the revenue for the year.

### **Other external expenses**

Other external expenses comprise expenses for premises, marketing expenses, travel as well as office expenses, etc.

### **Staff expenses**

Staff expenses comprise wages and salaries as well as payroll expenses.



### **Depreciation and impairment losses**

Depreciation and impairment losses comprise depreciation and impairment of tangible assets as well as gains and losses from current replacement of fixed assets.

### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, as well as extra payments and repayment under the on-account taxation scheme.

## **Balance sheet**

### **Tangible fixed assets**

Other fixtures, fittings and equipment are valued at cost less accumulated depreciation.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures, fitting and equipment	2-5 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Gains and losses on current replacement of property, plant and equipment are recognised in "Depreciation and impairment loss".

### **Impairment of fixed assets**

The carrying amounts of tangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation. If so, the asset is written down to its lower recoverable amount. The recoverable amount of the asset is calculated as the higher of net selling price and value in use.

### **Inventories**

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

**Receivables**

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

**Prepayments**

Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

**Equity*****Dividend***

Dividend is recognised as a liability at the time of adoption at the Annual General Meeting. Dividend expected to be distributed for the year is disclosed as a separate equity item.

**Debts**

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

**Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.

**Cash flow statement**

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Dell Technologies Inc., the Company has not prepared a cash flow statement.

## Financial highlights

The financial highlights have been calculated as follows:

Gross margin	=	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	=	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on net assets	=	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	=	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	=	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

## Income Statement 1 February 2018 - 31 January 2019

	Notes	<u>2018/2019</u>	<u>2017/2018</u>
		DKK	DKK
<b>Revenue</b>	1	1 322 411 770	949 512 319
Cost of goods sold		1 020 604 319	656 664 334
Other external expenses		86 929 026	105 796 310
<b>Gross profit/(loss)</b>		<u>214 878 425</u>	<u>187 051 675</u>
Staff expenses	2	193 791 878	170 458 590
Depreciation and impairment loss	3	1 656 546	1 201 665
<b>Profit/(loss) before financial income and expenses</b>		<u>19 430 000</u>	<u>15 391 420</u>
Financial income	4	1 984 197	846 603
Financial expenses	5	3 345 677	4 326 828
<b>Profit/(loss) before tax</b>		<u>18 068 520</u>	<u>11 911 195</u>
Tax on profit/(loss) for the year	6	(4 367 122)	(2 734 465)
<b>Net profit/(loss) for the year</b>	7	<u>13 701 398</u>	<u>9 176 730</u>

## Balance Sheet 31 January 2019

### Assets

	Notes	31-Jan-19 DKK	31-Jan-18 DKK
<i>Other fixtures, fittings and equipment</i>		2 791 338	2 562 288
<i>Leasehold improvements</i>		666 889	1 034 056
<b><i>Tangible fixed assets</i></b>	8	<b>3 458 227</b>	<b>3 596 344</b>
<b><i>Fixed assets</i></b>		<b>3 458 227</b>	<b>3 596 344</b>
<b><i>Inventories</i></b>		<b>4 203 691</b>	<b>330 334</b>
<i>Trade receivables</i>		148 279 020	109 736 265
<i>Receivables from group enterprises</i>		248 844 604	220 261 670
<i>Other receivables</i>		8 755 869	7 188 251
<i>Corporation tax</i>	6	0	2 328 208
<i>Deferred tax asset</i>	9	734 624	265 354
<i>Prepayments</i>		1 612 881	2 119 417
<b><i>Receivables</i></b>		<b>408 226 999</b>	<b>341 899 164</b>
<b><i>Cash at bank and in hand</i></b>		<b>6 277 620</b>	<b>9 314 079</b>
<b><i>Current assets</i></b>		<b>418 708 311</b>	<b>351 543 577</b>
<b><i>Assets</i></b>		<b>422 166 537</b>	<b>355 139 921</b>

## Balance Sheet 31 January 2019

### *Liabilities and equity*

	Notes	31-Jan-19 DKK	31-Jan-18 DKK
<i>Share capital</i>		500 000	500 000
<i>Retained profit/(loss)</i>		66 567 131	52 865 733
<b><i>Equity</i></b>	10	<b>67 067 131</b>	<b>53 365 733</b>
<b><i>Provisions</i></b>	11	<b>13 002 507</b>	<b>5 696 722</b>
<i>Longterm Deferred Revenue</i>	12	80 003 857	46 545 497
<b><i>Long-term debt</i></b>		<b>80 003 857</b>	<b>46 545 497</b>
<i>Trade payables</i>		25 174 128	27 224 329
<i>Payables to group enterprises</i>		113 904 610	113 960 398
<i>Corporation tax</i>	6	997 480	0
<i>Other payables</i>		65 676 381	78 098 689
<i>Shortterm Deferred Revenue</i>	12	56 340 445	30 248 553
<b><i>Short-term debt</i></b>		<b>262 093 043</b>	<b>249 531 969</b>
<b><i>Debt</i></b>		<b>342 096 900</b>	<b>296 077 466</b>
<b><i>Liabilities and equity</i></b>		<b>422 166 537</b>	<b>355 139 921</b>
<i>Contractual obligations</i>	13		
<i>Fee to auditors appointed at the general meeting</i>	14		
<i>Related parties and ownership</i>	15		
<i>Subsequent events</i>	16		

**Statement of Changes in Equity**  
**For the year ended 31 January 2019**

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
<b>Equity at 1 February 2018</b>	<b>500 000</b>	<b>52 776 887</b>	<b>53 276 887</b>
Net effect from change of accounting policy	0	88 846	88 846
<b>Adjusted equity at 1 February 2018</b>	<b>500 000</b>	<b>52 865 733</b>	<b>53 365 733</b>
Net profit/(loss) for the year	0	13 701 398	13 701 398
<b>Equity at 31 January 2019</b>	<b>500 000</b>	<b>66 567 131</b>	<b>67 067 131</b>

## Notes to the Financial Statements

### 1 Revenue

The distribution of revenue on activities with geographical segmentation is specified as follows:

	<u>Sale to country</u>	<u>2018/2019</u>	<u>2017/2018</u>
		DKK	DKK
Sales of products	Denmark	1 155 654 457	740 073 356
	Ireland	0	0
	Norway	34 694 189	26 768 859
	Sweden	60 477 346	47 859 298
Commission	Ireland	0	71 798 225
Third party maintenance recharge, other	Denmark	11 759 732	16 794 253
	Ireland	58 551 641	25 140 952
	Norway	763	430
	Sweden	1 172	1 301
	United States	57 627	( 19 863)
Recharge of marketing expenses	Ireland	0	19 412 303
Services provided	Denmark	259 428	4 093 169
	Sweden	0	3 875
	United States	955 417	(2 413 838)
		<u>1 322 411 770</u>	<u>949 512 319</u>

### 2 Staff expenses

Staff expenses is specified as follows:

Wages and salaries	177 210 793	156 231 399
Pensions	15 014 595	12 146 528
Other social security expenses	1 566 490	2 080 664
	<u>193 791 878</u>	<u>170 458 590</u>
including remuneration to the Executive Board of Executive Board	<u>1 526 440</u>	<u>2 045 483</u>
<b>Average number of employees</b>	<u>177</u>	<u>178</u>



## Notes to the Financial Statements

<b>3 Depreciation and impairment loss</b>	<u>2018/2019</u>	<u>2017/2018</u>
	DKK	DKK
Depreciation and impairment loss is specified as follows:		
Depreciation and impairment loss on tangible fixed assets	1 656 546	1 201 665
	<u>1 656 546</u>	<u>1 201 665</u>
 <b>4 Financial income</b>		
Financial income is specified as follows:		
Interest received from group enterprises	1 021 439	299 829
Exchange rate differences	886 513	205 637
Other financial income	76 245	341 137
	<u>1 984 197</u>	<u>846 603</u>
 <b>5 Financial expenses</b>		
Financial expenses are specified as follows:		
Other financial expenses	259 577	3
Exchange rate differences	3 086 100	2 403 736
Loss on divestiture	0	1 923 089
	<u>3 345 677</u>	<u>4 326 828</u>
 <b>6 Tax on profit/(loss) for the year</b>		
The corporation tax expensed is specified as follows:		
Current tax for the year	4 822 439	2 633 274
Deferred tax for the year	( 472 455)	104 374
Current tax Adjustment concerning previous years	13 953	( 3 183)
Deferred tax adjustment concerning previous years	3 185	0
<b>Total tax for the year</b>	<u>4 367 122</u>	<u>2 734 465</u>

During the year DKK 3.090.595 has been prepaid as tax on account  
Tax underpayment for current year is in amount of DKK 1,731,844

## Notes to the Financial Statements

7 Proposed distribution of profit/(loss)	2018/2019	2017/2018
	DKK	DKK
Retained profit/(loss)	13 701 398	9 176 730
	<u>13 701 398</u>	<u>9 176 730</u>

## 8 Tangible fixed assets

Investments in and depreciation of tangible fixed assets are specified as follows:

	<i>Fixtures, fittings and equipment</i>	<i>Leasehold improvements</i>	<i>Total</i>
	DKK	DKK	DKK
Cost at 1 February	8 985 870	3 609 376	12 595 246
Additions for the year	1 651 292	( 132 864)	1 518 428
Disposals for the year	(3 323 265)	(1 633 009)	(4 956 275)
Cost at 31 January	<u>7 313 897</u>	<u>1 843 503</u>	<u>9 157 400</u>
Depreciation and impairment loss at 1 February	6 423 582	2 575 320	8 998 902
Depreciation and impairment loss for the year	1 422 242	234 303	1 656 545
Reversal of depreciation and impairment loss	(3 323 265)	(1 633 009)	(4 956 275)
Depreciation and impairment loss at 31 January	<u>4 522 559</u>	<u>1 176 614</u>	<u>5 699 173</u>
<b>Carrying amount at 31 January 2019</b>	<u>2 791 338</u>	<u>666 889</u>	<u>3 458 227</u>

9 Deferred tax	2018/2019	2017/2018
	DKK	DKK
Beginning of the year	265 354	207 954
Amounts recognized in the income statement for the year	469 270	57 400
End of the year	<u>734 624</u>	<u>265 354</u>

There are no particular factors in relation to the utilization of the deferred tax asset exists.

## Notes to the Financial Statements

### 10 Equity

The share capital consists of 500 shares of a nominal value of DKK 1.000. No shares carry any special rights.

There have not been movements on the share capital since the establishment of the Company.

### 11 Provisions

	31-Jan-19	31-Jan-18
	DKK	DKK
Rebates	4 328 101	0
Warranty Provision - Non-Current	3 029 529	1 496 129
Warranty Provision - Current	5 644 877	4 200 593
	<u>13 002 507</u>	<u>88 828 722</u>

The company records warranty liabilities at the time of sale for the estimated costs that may be incurred under limited warranty. The specific warranty term and conditions vary depending upon the product sold, but generally includes technical support, parts and labor over a period ranging from one to three years. Factors that affect the company's warranty liability include the number of installed units currently under warranty, historical and anticipated rate of warranty claim on these units, and costs per claim to satisfy the company's warranty obligation.

### 12 Deferred revenue

Due after 5 years	3 164 879	154 710
Due between 1 and 5 years	76 838 978	47 324 084
Deferred revenue - Non Current	80 003 857	47 478 794
Deferred revenue - Current	56 340 445	38 935 376
	<u>136 344 301</u>	<u>86 414 170</u>

Deferred revenue is derived from sales of warranty contracts and amortised under the straight-line method based in contract lives. Revenue which will be recognized in the next year is stated under current liabilities.

### 13 Contractual obligations

The company has assumed rental and lease commitments which at the balance sheet date total DKK 20,280 thousands in the period of non-terminability. The rental and lease agreements are non-terminable until 2021.

### 14 Fee to auditors appointed at the general meeting

	2018/2019	2017/2018
	TDKK	TDKK
Audit fee to PricewaterhouseCoopers	370	311
Other Services	7	6
	<u>377</u>	<u>317</u>

## Notes to the Financial Statements

### 15 Related parties and ownership

#### Controlling interest

Dell International LLC  
251 Little Falls Drive  
Wilmington  
DE 19808-1674  
USA

*Controlling shareholder*

Dell Technologies Inc.  
251 Little Falls Drive  
Wilmington  
DE 19808-1674  
USA

*Controlling shareholder in  
Dell International LLC*

#### Group Annual Report

The Company is included in the Group Annual Report of Dell Technologies Inc.

A copy of the Group Annual Report can be obtained from 251 Little Falls Drive, Wilmington, DE 19808-1674, USA.

#### Related parties transactions

With reference to section 98C(7) of the Danish Financial Statements Act, related parties transactions have not been disclosed in the Annual Report.

### 16 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.