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# **Wirefree Services Denmark A/S**

Energivej 30, 1, DK-2750 Ballerup

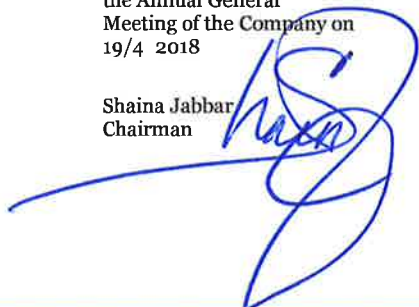
## **Annual Report for 1 January - 31 December 2017**

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CVR No 20 67 33 46

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
19/4 2018

Shaina Jabbar  
Chairman



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## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Wirefree Services Denmark A/S for the financial year 1 January - 31 December 2017.

The Annual Report is 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 December 2017 of the Company and of the results of the Company operations for 2017.

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, 19 April 2018

### Executive Board



Johan Van den Cruijce

### Board of Directors



Gitte Lund Henriksen  
Chairman



Mikkel Bækgaard Nissen

Johan Van den Cruijce

# Independent Auditor's Report

To the Shareholder of Wirefree Services Denmark A/S

## Opinion

We have audited the financial statements of Wirefree Services Denmark A/S for the financial year 1 January – 31 December 2017, comprising income statement, balance sheet and notes, including accounting policies. 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 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 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 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 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 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 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

# Independent Auditor's Report

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
- 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 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

# Independent Auditor's Report

required under the Danish Financial Statements Act.

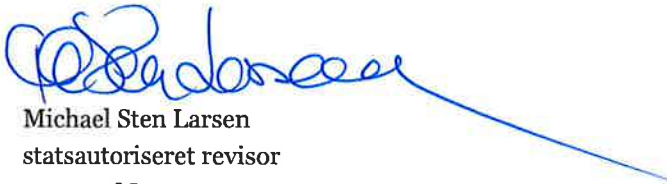
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 19 April 2018

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR No 25 57 81 98



Michael Sten Larsen

statsautoriseret revisor

mne10488

## **Company Information**

### **The Company**

Wirefree Services Denmark A/S  
Energivej 30, 1  
DK-2750 Ballerup

CVR No: 20 67 33 46

Financial period: 1 January - 31 December

Financial year: 21st financial year

Municipality of reg. office: Ballerup

### **Board of Directors**

Gitte Lund Henriksen, Chairman  
Mikkel Bækgaard Nissen  
Johan Van den Cruijce

### **Executive Board**

Johan Van den Cruijce

### **Auditors**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 København Ø

# Management's Review

## Key activities

The Company's core activity is to act as a holding Company in the Orange S.A. group. The Company also acts as tax management company for the Danish joint taxation.

## Development in the year

The income statement of the Company for 2017 shows a loss of EUR 182,743, and at 31 December 2017 the balance sheet of the Company shows equity of EUR 12,572,604.

The main components for the result are:

(i) the general expenses for the management of the Company. The increase in comparison with last year relates to the additional expenses of tax consultancy : EUR -111,824;

(ii) Interests paid on the current account with Orange S.A.. The negative interest rate is due to the negative evolution of the EONIA : EUR - 47,508;

(iii) an additional tax accrual for tax on previous years : EUR -23,018.

The main asset of the Company is the current account with Orange SA.

## Capital resources

The Company does not have any financing needs. The excess cash is put in a cashpool arrangement with Orange S.A.

## Uncertainty relating to recognition and measurement

As a holding company, the results of the Company mainly depends on the return from the companies in which it has an interest.

## Subsequent events

No events have taken place after the balance sheet date, which could materially affect the assessment of the Annual Report.



## Income Statement 1 January - 31 December

	Note	2017 EUR	2016 EUR
<b>Gross profit/loss</b>		<b>0</b>	<b>0</b>
Administrative expenses		-111.825	-75.638
<b>Operating profit/loss</b>		<b>-111.825</b>	<b>-75.638</b>
<b>Profit/loss before financial income and expenses</b>		<b>-111.825</b>	<b>-75.638</b>
Gain/loss on sale of investment in subsidiary		0	395.559
Financial income	2	137	12
Financial expenses	3	-48.037	-45.075
<b>Profit/loss before tax</b>		<b>-159.725</b>	<b>274.858</b>
Tax on profit/loss for the year	4	-23.018	-578.047
<b>Net profit/loss for the year</b>		<b>-182.743</b>	<b>-303.189</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-182.743	-303.189
		<b>-182.743</b>	<b>-303.189</b>

## Balance Sheet 31 December

### Assets

	Note	2017 EUR	2016 EUR
Investments in subsidiaries	5	1	1
<b>Fixed asset investments</b>		<b>1</b>	<b>1</b>
<b>Fixed assets</b>		<b>1</b>	<b>1</b>
Receivables from group enterprises		13.322.457	13.504.831
Corporation tax		32.237	0
<b>Receivables</b>		<b>13.354.694</b>	<b>13.504.831</b>
<b>Cash at bank and in hand</b>		<b>16.859</b>	<b>21.714</b>
<b>Currents assets</b>		<b>13.371.553</b>	<b>13.526.545</b>
<b>Assets</b>		<b>13.371.554</b>	<b>13.526.546</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2017 EUR	2016 EUR
Share capital		68.000	68.000
Retained earnings		12.504.604	12.687.347
<b>Equity</b>	6	<b>12.572.604</b>	<b>12.755.347</b>
Trade payables		145.664	139.722
Corporation tax		649.367	626.722
Other payables		3.919	4.755
<b>Short-term debt</b>		<b>798.950</b>	<b>771.199</b>
<b>Debt</b>		<b>798.950</b>	<b>771.199</b>
<b>Liabilities and equity</b>		<b>13.371.554</b>	<b>13.526.546</b>
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## Statement of Changes in Equity

	<u>Share capital</u> EUR	<u>Retained earnings</u> EUR	<u>Total</u> EUR
Equity at 1 January	68.000	12.687.347	12.755.347
Net profit/loss for the year	0	-182.743	-182.743
<b>Equity at 31 December</b>	<b>68.000</b>	<b>12.504.604</b>	<b>12.572.604</b>

## Notes to the Financial Statements

	<u>2017</u> EUR	<u>2016</u> EUR
<b>1 Staff</b>		
<b>Average number of employees</b>	<u>0</u>	<u>0</u>
<b>2 Financial income</b>		
Other financial income	11	0
Exchange gains	<u>126</u>	<u>12</u>
	<u><b>137</b></u>	<u><b>12</b></u>
<b>3 Financial expenses</b>		
Interest paid to group enterprises	47.508	44.587
Other financial expenses	<u>529</u>	<u>488</u>
	<u><b>48.037</b></u>	<u><b>45.075</b></u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	0	0
Adjustment of tax concerning previous years	<u>23.018</u>	<u>578.047</u>
	<u><b>23.018</b></u>	<u><b>578.047</b></u>

## Notes to the Financial Statements

	2017 EUR	2016 EUR
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	1	1
Cost at 31 December	1	1
Value adjustments at 1 January	0	0
Value adjustments at 31 December	0	0
<b>Carrying amount at 31 December</b>	<b>1</b>	<b>1</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
EGN B.V.	Holland	TEUR 45	100%	MEUR -292	MEUR -59

The latest published annual report for EGN B.V. is for the financial year 2016.

# Notes to the Financial Statements

## 6 Equity

The share capital consists of 68,000 shares of a nominal value of EUR 1. No shares carry any special rights.

The share capital has developed as follows:

	2017	2016	2015	2014	2013
	EUR	EUR	EUR	EUR	EUR
Share capital at 1 January	68.000	68.000	68.000	100.784.967	100.784.967
Capital increase	0	0	0	0	0
Capital decrease	0	0	0	-100.716.967	0
<b>Share capital at 31</b>					
<b>December</b>	<b>68.000</b>	<b>68.000</b>	<b>68.000</b>	<b>68.000</b>	<b>100.784.967</b>

## 7 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Orange S.A. additional Danish subsidiary with Wirefree Service Denmark A/S serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from 1 July 2012 for obligations, if any, relating to withholding tax on interest, royalties and dividend for the jointly taxed companies and from 1 January 2013 for income taxes for the jointly taxed companies.

Warranties to Alice Bahamas SARL relating to the sale of Orange Dominicana S.A. in total KUSD 142,147 expire between April 9 2015 and June 9 2018 and might be respectively extended in case the applicable statute of limitations is suspended by tax authorities for a period of such suspension.

The Company has initiated on 6 July 2016 an appeal against the decision of the Danish Tax authorities to make an adjustment on the taxable base of DKK 27,779,135 for the accounting year 2010-2014.

A part of the adjustment has been recognised as corporation tax in the balance sheet.

# Notes to the Financial Statements

## 8 Related parties

	<b>Basis</b>
<b>Controlling interest</b>	
Orange S.A. 78 Rue Olivier de Serres, 75015 Paris Cedex 15, France	Ultimate Parent
Atlas Services Belgium S.A. Avenue du Bourget 3, 1140 Brussels, Belgien/ Belgium	Parent company

### Transactions

The Company has entered into agreements concerning services and financing with companies in the Orange Group. These are settled on market terms.

The Company has made no other related party transactions.

### Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Atlas Services Belgium S.A., Avenue du Bourget 3, 1140 Brussels, Belgien/ Belgium

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Ultimate Parent Company

<u>Name</u>	<u>Place of registered office</u>
Orange S.A	

The Group Annual Report of Orange S.A. may be obtained at the following address:

78 Rue Olivier de Serres, 75015 Paris Cedex 15, Frankrig/ France



# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of Wirefree Services Denmark A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2017 are presented in EUR.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Orange S.A, the Company has not prepared consolidated financial statements.

### Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all 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 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 repayments 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.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Translation policies

Euro is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

## Income Statement

### Administrative expenses

Administrative expenses comprise general corporate expenses.

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

### Financial income and expenses

Financial income and expenses comprise interest and realised and unrealised exchange adjustments.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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 transactions is recognised directly in equity.

The Company is jointly taxed with the other Danish enterprises in the Orange group, with Wirefree Service Denmark A/S as the administrative company. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Balance Sheet

#### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

#### Receivables

Receivables are measured 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.

#### Equity

##### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets 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 within the same legal tax entity.

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 or in equity if the deferred tax relates to items recognised in equity.

#### Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

#### Financial debts

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