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# ***Wirefree Services Denmark A/S***

Havnegade 39, DK-1058 København K

## **Annual Report for 1 January - 31 December 2015**

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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* 2016

*Søren Zff Bjørreskov*  
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 2015.

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 2015 of the Company and of the results of the Company operations for 2015.

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 2016

### Executive Board



Johan Van den Cruyce

### Board of Directors



Gitte Lund Henriksen  
Chairman



Mikkel Bækgaard Nissen

Johan Van den Cruyce

# **Independent Auditor's Report on the Financial Statements**

To the Shareholder of Wirefree Services Denmark A/S

## **Independent auditor's report on the Financial Statements**

We have audited the financial statements of Wirefree Services Denmark A/S for the financial year 1 January – 31 December 2015. The financial statements comprise income statement, balance sheet, statement of change in equity, notes and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### **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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

# Independent Auditor's Report on the Financial Statements

## Statement on Management's Review

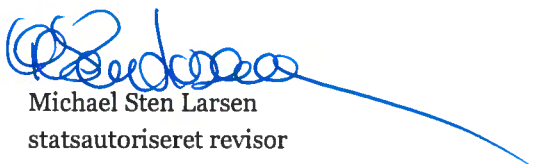
In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 19 April 2016

**KPMG**

Statsautoriseret Revisionspartnerselskab

*CVR No 25 57 81 98*



Michael Sten Larsen  
statsautoriseret revisor

## Company Information

### **The Company**

Wirefree Services Denmark A/S  
Havnegade 39  
DK-1058 København K

CVR No: 20 67 33 46  
Financial period: 1 January - 31 December  
Financial year: 19th financial year  
Municipality of reg. office: København

### **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**

## **Main activity**

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 2015 shows a loss of TEUR 938, and at 31 December 2015 the balance sheet of the Company shows equity of TEUR 13,059.

The main driver for the negative result is the additional costs received in 2015 on the sale of its affiliated Orange Dominicana S.A. on 10th of April 2014 (TEUR 853, part of which TEUR 485 relates to exchange losses).

## **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

	<u>Note</u>	<u>2015</u> TEUR	<u>2014</u> TEUR
<b>Gross profit/loss</b>		<b>0</b>	<b>0</b>
Administrative expenses		-86	-116
<b>Operating profit/loss</b>		<b>-86</b>	<b>-116</b>
Gain/loss on sale of investment in subsidiary		-368	686.289
Financial income	1	19	12.758
Financial expenses	2	-503	-116
<b>Profit/loss before tax</b>		<b>-938</b>	<b>698.815</b>
Tax on profit/loss for the year	3	0	2
<b>Net profit/loss for the year</b>		<b>-938</b>	<b>698.817</b>

## Distribution of profit

### Proposed distribution of profit

Extraordinary dividend paid	0	750.000
Proposed dividend for the year	0	14.000
Retained earnings	-938	-65.183
	<b>-938</b>	<b>698.817</b>



## Balance Sheet 31 December

### Assets

	<u>Note</u>	<u>2015</u> TEUR	<u>2014</u> TEUR
Investments in subsidiaries	4	<u>0</u>	<u>0</u>
<b>Fixed asset investments</b>		<u><b>0</b></u>	<u><b>0</b></u>
<b>Fixed assets</b>		<u><b>0</b></u>	<u><b>0</b></u>
Receivables from group enterprises		<u>13.611</u>	<u>32.971</u>
<b>Receivables</b>		<u><b>13.611</b></u>	<u><b>32.971</b></u>
<b>Current asset investments</b>	5	<u><b>13</b></u>	<u><b>10</b></u>
<b>Cash at bank and in hand</b>		<u><b>18</b></u>	<u><b>12</b></u>
<b>Currents assets</b>		<u><b>13.642</b></u>	<u><b>32.993</b></u>
<b>Assets</b>		<u><b>13.642</b></u>	<u><b>32.993</b></u>

## Balance Sheet 31 December

### Liabilities and equity

	Note	2015 TEUR	2014 TEUR
Share capital		68	68
Retained earnings		12.991	13.929
Proposed dividend for the year		0	14.000
<b>Equity</b>	<b>6</b>	<b>13.059</b>	<b>27.997</b>
Trade payables		532	4.946
Corporation tax		49	49
Other payables		2	1
<b>Short-term debt</b>		<b>583</b>	<b>4.996</b>
<b>Debt</b>		<b>583</b>	<b>4.996</b>
<b>Liabilities and equity</b>		<b>13.642</b>	<b>32.993</b>
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## Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TEUR	TEUR	TEUR	TEUR
Equity at 1 January 2015	68	13.929	14.000	27.997
Dividend paid	0	0	-14.000	-14.000
Net profit/loss for the year	0	-938	0	-938
<b>Equity at 31 December 2015</b>	<b>68</b>	<b>12.991</b>	<b>0</b>	<b>13.059</b>

## Notes to the Financial Statements

	<u>2015</u>	<u>2014</u>
	TEUR	TEUR
<b>1 Financial income</b>		
Received dividend	4	2
Interest received from group enterprises	0	313
Other financial income	0	12.420
Exchange gains	15	23
	<u>19</u>	<u>12.758</u>
<b>2 Financial expenses</b>		
Interest paid to group enterprises	19	1
Other financial expenses	0	1
Exchange loss	484	114
	<u>503</u>	<u>116</u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	0	49
Adjustment of tax concerning previous years	0	-51
	<u>0</u>	<u>-2</u>

## Notes to the Financial Statements

	<u>2015</u> TEUR	<u>2014</u> TEUR
<b>4 Investments in subsidiaries</b>		
Cost at 1 January 2015	0	148.048
Disposals for the year	0	-148.048
Cost at 31 December 2015	<u>0</u>	<u>0</u>
Value adjustments at 1 January 2015	0	0
Value adjustments at 31 December 2015	0	0
<b>Carrying amount at 31 December 2015</b>	<u><b>0</b></u>	<u><b>0</b></u>

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%	TEUR -202,299	TEUR -32,732

The latest published annual report for EGN B.V. is for the financial year 2014.

### 5 Current asset investments

Shares	<u>13</u>	<u>10</u>
	<u><b>13</b></u>	<u><b>10</b></u>

## 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:

	2015 TEUR	2014 TEUR	2013 TEUR	2012 TEUR	2011 TEUR
Share capital at 1 January 2015	68	100.785	100.785	100.785	100.785
Capital increase	0	0	0	0	0
Capital decrease	0	-100.717	0	0	0
<b>Share capital at 31 December 2015</b>	<b>68</b>	<b>68</b>	<b>100.785</b>	<b>100.785</b>	<b>100.785</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 TUSD 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.

### 8 Staff

	2015 TEUR	2014 TEUR
<b>Average number of employees</b>	<b>0</b>	<b>0</b>

# Notes to the Financial Statements

## 9 Related parties and ownership

	<b>Basis</b>
<b>Controlling interest</b>	
Orange S.A. 78 Rue Olivier de Serres, 75015 Paris Cedex 15, Frankrig/ 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.

Apart from the above, there have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

### 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 Parent Company 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

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Wirefree Services Denmark A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in TEUR.

### **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.

### **Translation policies**

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



## **Accounting Policies**

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.

### **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.

## **Accounting Policies**

### **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.

### **Current asset investments**

Current asset investments, which consist of listed shares, are measured at their fair value.

### **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.