Intertrust

Citrix Systems Denmark ApS

Kalkbrænderiløbskaj 4, DK-2100 Copenhagen

CVR no. 21 62 79 09

Annual report for 2017

Adopted at the annual general meeting
on 4 June 2018

Pernille Ohlsen
chairman

Contents

Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Citrix Systems Denmark ApS 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 company's 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 our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 4 June 2018

Executive board

Jessica Soisson
CEO

Supervisory board

Brian Lee Shytle	Jessica Soisson	Caoimhe Ni Ghiosain

Independent auditor's report

To the shareholder of Citrix Systems Denmark ApS

Opinion

We have audited the financial statements of Citrix Systems Denmark ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

Independent auditor's report

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.

Independent auditor's report

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 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, we conclude that 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 of management's review.

Copenhagen, 4 June 2018

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Jensen	Alex Nissov
state authorised public accountant	state authorised public accountant
MNE no. mne33246	MNE no. mne33237

Company details

Citrix Systems Denmark ApS
Kalkbrænderiløbskaj 4
DK-2100 Copenhagen

CVR-no.	21 62 79 09
Financial year:	1 January - 31 December 2017
Domicile:	Copenhagen

Supervisory Board
Brian Lee Shytle
Jessica Soisson
Caoimhe Ni Ghiosain

Executive Board
Jessica Soisson, CEO

Shareholders
Citrix Systems International GmbH
Rheinweg 9
CH-8200 Schaffhausen

Auditors
ERNST & YOUNG
Godkendt Revisionspartnerselskab
c/o Postboks 250, Osvald Helmuths Vej 4
DK-2000 Frederksberg

Consolidated financial statement

The company is included in the group annual report of Citrix Systems International GmbH.

The group annual report of Citrix Systems International GmbH may be obtained at the following address:

Citrix Systems International GmbH
Rheinweg 9
CH-8200 Schaffhausen

Management's review

Business activities

The principal activity of the company is to promote, offer for supply and solicit orders for the products and services of Citrix Systems UK Ltd., a company incorporated in United Kingdom, in the territory of Denmark.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The company's financial position at 31 December 2017 and the results of its operations for the financial year ended 31 December 2017 are significantly affected by the reversal of impairment of investments in subsidiaries.

Business review

The company's income statement for the year ended 31 December shows a profit of DKK 81.555.593, and the balance sheet at 31 December 2017 shows equity of DKK 150.062.986.

In the annual report for 2016 there was an error regarding accrual of inter-group revenue. The error of DKK 4.714.650 after tax is considered to be a material misstatement and has been corrected in the comparable figures for 2016 in the annual report for 2017. The gross profit for 2016 has been deducted by DKK 6.044.425, tax on profit for the year decreases by DKK 1.329.775 and equity decreases with DKK 4.714.650.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2017	2016
		DKK	DKK
Gross profit		**29.173.311**	**43.776.564**
Staff expenses	1	-25.425.127	-37.045.548
Depreciation, amortisation and impairment of other fixtures and fittings, tools and equipment and leasehold improvements		-7.534	-521.396
Other operating expenses		0	-125.504
Profit/loss before financial income and expenses		**3.740.650**	**6.084.116**
Income from investments in subsidiaries		80.000.000	0
Financial income		1.367	25.410
Financial expenses		-2.066.223	-85.515
Profit/loss before tax		**81.675.794**	**6.024.011**
Tax on profit/loss for the year	2	-120.201	-1.508.842
Net profit/loss for the year		**81.555.593**	**4.515.169**

Distribution of profit

Retained earnings	81.555.593	4.515.169
	81.555.593	**4.515.169**

Balance sheet 31 December

	Note	2017 DKK	2016 DKK
Assets			
Other fixtures and fittings, tools and equipment		1.791	9.326
Tangible assets		**1.791**	**9.326**
Investments in subsidiaries	3	137.463.221	57.463.221
Deposits		480.166	489.205
Fixed asset investments		**137.943.387**	**57.952.426**
Fixed assets total		**137.945.178**	**57.961.752**
Receivables from group companies		13.763.340	8.056.498
Other receivables		67.470	3.062.019
Deferred tax asset		205.561	223.820
Corporation tax		2.936.229	1.721.454
Receivables		**16.972.600**	**13.063.791**
Cash at bank and in hand		**5.587.096**	**7.793.352**
Current assets total		**22.559.696**	**20.857.143**
Assets total		**160.504.874**	**78.818.895**

Balance sheet 31 December

	Note	2017 DKK	2016 DKK
Liabilities and equity			
Share capital		130.000	130.000
Retained earnings		149.932.986	68.377.391
Equity	4	**150.062.986**	**68.507.391**
Other provisions		400.000	400.000
Provisions total		**400.000**	**400.000**
Trade payables		349.968	663.000
Payables to subsidiaries		846.305	662.990
Other payables		8.845.615	8.585.514
Short-term debt		**10.041.888**	**9.911.504**
Debt total		**10.041.888**	**9.911.504**
Liabilities and equity total		**160.504.874**	**78.818.895**
Contingent assets, liabilities and other financial obligations	5		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2017	130.000	73.092.043	73.222.043
Net effect from adjustment of error	0	-4.714.650	-4.714.650
Adjusted equity at 1 January 2017	130.000	68.377.393	68.507.393
Net profit/loss for the year	0	81.555.593	81.555.593
Equity at 31 December 2017	**130.000**	**149.932.986**	**150.062.986**

Notes

		2017	2016
		DKK	DKK
1	**Staff expenses**		
	Wages and salaries	25.342.452	36.683.958
	Other social security expenses	82.675	361.590
		25.425.127	**37.045.548**
	Average number of employees	22	46

2	**Tax on profit/loss for the year**		
	Current tax for the year	354.137	197.813
	Adjustment of tax concerning previous years	-271.596	384.621
	Adjustment of deferred tax	37.660	926.408
		120.201	**1.508.842**

Notes

	2017	2016
	DKK	DKK
3 Investments in subsidiaries		
Cost at 1 January 2017	253.041.221	253.041.221
Cost at 31 December 2017	253.041.221	253.041.221
Revaluations at 1 January 2017	-195.578.000	-195.578.000
Revaluations for the year, net	80.000.000	0
Revaluations at 31 December 2017	-115.578.000	-195.578.000
Carrying amount at 31 December 2017	**137.463.221**	**57.463.221**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
Podio ApS	Copenhagen, DK	100%	141.561.991	84.420.969

4 Equity

The share capital consists of 1 share of a nominal value of DKK 130.000. No shares carry any special rights.
The share capital has developed as follows:

	2017	2016	2015	2014	2013
	DKK	DKK	DKK	DKK	DKK
Share capital at 1 January 2017	130.000	130.000	130.000	125.000	125.000
Additions for the year	0	0	0	5.000	0
Share capital	**130.000**	**130.000**	**130.000**	**130.000**	**125.000**

Notes

5 Contingent assets, liabilities and other financial obligations

The company is jointly taxed with other Danish subsidiaries in the group. As a group company, the company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties in the joint taxation unit.

The company has entered into lease agreements which oblige the company to make payments of an uncertain amount at an uncertain future date. Based of this, provisions of DKK 400k have been recognized. The provision recognised is calculated using management's best estimate of the obligation.

The company has assumed rent commitments which at the balance sheet date amount to a total of DKK 320k during the period of interminability. The rent commitments are interminable for up to 6 months.

The company has assumed operating lease commitments which at the balance sheet date amount to a total of DKK 316k during the period of intermiability. The leases are intermiable for up to 42 months.

Accounting policies

The annual report of Citrix Systems Denmark ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

In the annual report for 2016 there was an error regarding accrual of inter-group revenue. The error of DKK 4.714.650 after tax is considered to be a material misstatement and has been corrected in the comparable figures for 2016 in the annual report for 2017. The gross profit for 2016 has been deducted by DKK 6.044.425, tax on profit for the year decreases by DKK 1.329.775 and equity decreases with DKK 4.714.650.

The annual report for 2017 is presented in DKK.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement
Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Revenue

Income from marketing and support of the sale of Citrix Systems International's products is recognised in revenue when earned. Revenue is made up net of VAT, indirect taxes and discounts.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff expenses

Staff expenses include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of other fixtures, tools and equipment and leasehold improvements.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss from investments in subsidiaries and associates

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Accounting policies

Tax on profit/loss for the year
Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets
Items of other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	
Other fixtures and fittings, tools and equipments	3	years
Leasehold improvements	5	years

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries and associates
Investment in subsidiaries and associates are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Receivables
Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents
Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Accounting policies

Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

Provisions

Provisions comprise expected expenses relating to restoration commitments on the company lease. Provisions are recognised when, at the balance sheet date, the company has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities are mesured at amortised cost equal to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.