


Citrix Systems Denmark ApS
Kalkbrænderiløbskaj 4, DK-2100 Copenhagen
CVR no. 21 62 79 09

Annual report for 2016

Adopted at the annual general meeting
on 31 May 2017



chairman

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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 2016.

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 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

In our opinion, the 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, 31 May 2017

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 2016, which comprise an income statement, balance sheet, 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 financial position of the Company at 31 december 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in 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 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

Independent auditor's report

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 conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management's review and, in doing so, consider whether the management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Independent auditor's report

Moreover, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

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

København, 31 May 2017

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


Peter Jensen
State Authorised Public Accountant


Alex Nissov
State Authorised Public Accountant

Company details

Citrix Systems Denmark ApS
Kalkbrænderiløbskaj 4
DK-2100 Copenhagen

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

Supervisory Board

Brian Lee Shytle
Jessica Soisson
Caoimhe Ni Ghiosain

Executive Board

Jessica Soisson, CEO

Ownership control

Citrix Systems International GmbH
Rheinweg 9
CH-8200 Schaffhausen

Auditors

ERNST & YOUNG
Godkendt Revisionspartnerselskab
c/o Postboks 250, Øsvold Helmuths Vej 4
DK-2000 Frederiksberg

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

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2016	2015	2014	2013	2012
	t.DKK	t.DKK	t.DKK	t.DKK	t.DKK
Key figures					
Revenue	67.216	148.629	112.377	67.905	50.910
Profit/loss before financial income and expenses	12.129	8.134	7.493	6.438	4.551
Net financials	-60	-148	-4.356	-200.263	-4.233
Profit/loss for the year	9.230	5.893	1.547	-194.514	229
Balance sheet total	83.534	108.728	86.339	74.239	277.682
Investment in property, plant and equipment	0	975	8.051	264	322
Equity	73.222	63.992	58.100	-184.452	10.062
Financial ratios					
EBIT margin	18,0%	5,5%	6,7%	9,5%	8,9%
Return on assets	12,6%	8,3%	9,3%	3,7%	3,1%
Solvency ratio	87,7%	58,9%	67,3%	-248,5%	3,6%
Return on equity	13,5%	9,7%	-2,4%	- %	2,3%

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 International GmbH, a company incorporated in Switzerland, 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 2016 and the results of its operations for the financial year ended 31 December 2016 are not affected by any unusual matters.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 9.229.821, and the balance sheet at 31 December 2016 shows equity of DKK 73.222.043.

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	2016 DKK	2015 DKK
Revenue		67.215.813	148.629.135
Other external expenses		-17.394.823	-39.537.112
Gross profit		49.820.990	109.092.023
Staff costs	1	-37.045.548	-92.841.407
Depreciation, amortisation and impairment of other fixtures and fittings, tools and equipment and leasehold improvements	2	-521.396	-8.116.540
Other operating costs		-125.504	0
Profit/loss before financial income and expenses		12.128.542	8.134.076
Financial income		25.410	0
Financial costs		-85.515	-148.460
Profit/loss before tax		12.068.437	7.985.616
Tax on profit/loss for the year	3	-2.838.616	-2.093.064
Net profit/loss for the year		9.229.821	5.892.552
Distribution of profit	4		

Balance sheet 31 December

	Note	2016 DKK	2015 DKK
Assets			
Other fixtures and fittings, tools and equipment		9.326	584.274
Leasehold improvements		0	71.952
Tangible assets	5	9.326	656.226
Investments in subsidiaries	6	57.463.221	57.463.221
Deposits	7	489.205	1.065.955
Fixed asset investments		57.952.426	58.529.176
Fixed assets total		57.961.752	59.185.402
Receivables from subsidiaries		14.100.923	44.598.563
Other receivables		3.062.019	1.764.737
Deferred tax asset	9	223.820	1.150.228
Corporation tax		391.680	0
Receivables		17.778.442	47.513.528
Cash at bank and in hand		7.793.352	2.028.717
Current assets total		25.571.794	49.542.245
Assets total		83.533.546	108.727.647

Balance sheet 31 December

	Note	2016 DKK	2015 DKK
Liabilities and equity			
Share capital		130.000	130.000
Retained earnings		73.092.043	63.862.222
Equity	8	73.222.043	63.992.222
Other provisions	10	400.000	7.568.697
Provisions total		400.000	7.568.697
Trade payables		663.000	1.015.454
Payables to subsidiaries		662.990	4.735.891
Corporation tax		0	1.508.249
Other payables		8.585.513	29.907.134
Short-term debt		9.911.503	37.166.728
Debt total		9.911.503	37.166.728
Liabilities and equity total		83.533.546	108.727.647
Contingent assets, liabilities and other financial obligations	11		
Related parties and ownership	12		

**Statement of changes in
equity**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	130.000	63.862.222	63.992.222
Net profit/loss for the year	0	9.229.821	9.229.821
Equity at 31 December 2016	<u>130.000</u>	<u>73.092.043</u>	<u>73.222.043</u>

Notes

	2016	2015
	DKK	DKK
1 Staff costs		
Wages and salaries	36.683.958	92.422.824
Other social security costs	361.590	418.583
	37.045.548	92.841.407
Average number of employees	46	101

According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.

2 Depreciation, amortisation and impairment of other fixtures and fittings, tools and equipment and leasehold improvements

Depreciation tangible assets	521.396	433.404
Impairment tangible assets	0	7.683.136
	521.396	8.116.540

which breaks down as follows:

Other fixtures and fittings, tools and equipment	521.396	433.404
Leasehold improvements	0	7.683.136
	521.396	8.116.540

3 Tax on profit/loss for the year

Current tax for the year	1.527.587	3.196.417
Adjustment of tax concerning previous years	384.621	250.425
Adjustment of deferred tax concerning previous years	926.408	-1.353.778
	2.838.616	2.093.064

Notes

	2016	2015
	DKK	DKK
4 Distribution of profit		
Retained earnings	9.229.821	5.892.552
	<u>9.229.821</u>	<u>5.892.552</u>

5 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvement s
Cost at 1 January 2016	3.880.612	9.380.068
Additions for the year	0	0
Disposals for the year	-2.445.375	-9.380.068
Cost at 31 December 2016	<u>1.435.237</u>	<u>0</u>
Impairment losses and depreciation at 1 January 2016	3.296.338	9.308.116
Depreciation for the year	521.396	0
Reversal of impairment and depreciation of sold assets	-2.391.823	-9.308.116
Impairment losses and depreciation at 31 December 2016	<u>1.425.911</u>	<u>0</u>
Carrying amount at 31 December 2016	<u>9.326</u>	<u>0</u>

Notes

	2016	2015
	DKK	DKK
6 Investments in subsidiaries		
Cost at 1 January 2016	253.041.221	253.041.221
Cost at 31 December 2016	253.041.221	253.041.221
Revaluations at 1 January 2016	-195.578.000	-195.578.000
Revaluations at 31 December 2016	-195.578.000	-195.578.000
Carrying amount at 31 December 2016	57.463.221	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%	57.141.022	8.159.011

7 Fixed asset investments

	Deposits
Cost at 1 January 2016	1.065.955
Disposals for the year	-576.750
Cost at 31 December 2016	489.205
Impairment losses at 1 January 2016	0
Impairment losses at 31 December 2016	0
Carrying amount at 31 December 2016	489.205

Notes

8 Equity

The share capital consists of 1 share of a nominal value of DKK 130. No shares carry any special rights.

The share capital has developed as follows:

	2016	2015	2014	2013	2012
	DKK	DKK	DKK	DKK	DKK
Share capital at 1 January 2016	130.000	130.000	125.000	125.000	125.000
Additions for the year	0	0	5.000	0	0
Share capital	130.000	130.000	130.000	125.000	125.000

Notes

	2016	2015
	DKK	DKK
9 Provision for deferred tax		
Provision for deferred tax at 1 January 2016	-1.150.228	203.550
Provision in year	926.408	-1.353.778
Transferred to assets	223.820	1.150.228
Provision for deferred tax at 31 December 2016	0	0
Other fixtures and fittings, tools and equipment	-223.820	-1.150.228
Transferred to deferred tax asset	223.820	1.150.228
	0	0
Deferred tax asset		
Calculated tax asset	223.820	1.150.228
Carrying amount	223.820	1.150.228

At 31 December 2016 the company has booked a deferred tax asset of 224 tDKK which comprise temporary differences on other fixtures and fittings, tools and equipment. Based on the company's forecasts, the management finds it likely that there will be sufficient future taxable income available to utilize the deferred tax asset.

	2016	2015
	DKK	DKK
10 Other provisions		
Balance at beginning of year at 1 January 2016	7.568.697	834.700
Provision in year	0	6.733.997
Applied in the year	-7.168.697	0
Balance at 31 December 2016	400.000	7.568.697

Provisions comprise expected expenses relating to restoration commitments on the company lease.

Notes

11 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 900k 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 135k during the period of intermiability. The leases are intermiable for up to 54 months.

12 Related parties and ownership

Controlling interest

Citrix Systems International GmbH
Rheinweg 9
CH-8200 Schaffhausen

Transactions

Revenue: t.dkk 67,216.

Receivables: Citrix Systems UK Ltd, t.dkk 6.583.

Receivables: Podio ApS, t.dkk 7.518.

Payables: Citrix Systems International GmbH, t.dkk 663.

Accounting policies

The annual report of Citrix Systems Denmark ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The annual report for 2016 is presented in DKK.

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

Effective 1 January 2016, the Company has implemented act. no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

Cashflow statement

In accordance with the Danish Company's Accounting Act, section 86 para 4, the Company has used the option not to prepare cash flow statement.

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's 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's 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.

Accounting policies

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

Income statement

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 costs

Staff costs 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.

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.

Accounting policies

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.

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.

Accounting policies

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 measured 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.

Accounting policies

Financial Highlights

Definitions of financial ratios.

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