

Cloud Software Group Denmark ApS

Kalkbrænderiløbskaj 4, 2100 København Ø
CVR no. 21 62 79 09

Annual report for 2022

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 19.07.23

Brian Lee Shytle
Dirigent



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The company

Cloud Software Group Denmark ApS
Kalkbrænderiløbskaj 4
2100 København Ø
Registered office: København
CVR no.: 21 62 79 09
Financial year: 01.01 - 31.12

Executive Board

Brian Lee Shytle

Board of Directors

Antonio Gilbert Gomes
Brian Lee Shytle
Malgorzata Stelmach-Hansson
Alexander Edward Kolar
Ganesh Vaidyanathan

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Cloud Software Group Denmark ApS.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.22 and of the results of the company's activities for the financial year 01.01.22 - 31.12.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, July 19, 2023

Executive Board

Brian Lee Shytle

Board of Directors

Antonio Gilbert Gomes
Chairman

Brian Lee Shytle

Malgorzata Stelmach-
Hansson

Alexander Edward Kolar

Ganesh Vaidyanathan

To the capital owner of Cloud Software Group Denmark ApS**Opinion**

We have audited the financial statements of Cloud Software Group Denmark ApS for the financial year 01.01.22 - 31.12.22, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.22 and of the results of the company's operations for the financial year 01.01.22 - 31.12.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 International Standards on Auditing 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 International Standards on Auditing 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.

Statement regarding the 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 Acts. We did not identify any material misstatement of management's review.

Soeborg, Copenhagen, July 19, 2023

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Morten Stener
State Authorized Public Accountant
MNE-no. mne32182

Primary activities

The company's activities comprise promotion, 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.

On July 5, 2023, the company passed a resolution to change it's name from Citrix Systems Denmark ApS to Cloud Software Group Denmark ApS.

Development in activities and financial affairs

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK 2,425,856 against DKK 2,375,500 for the period 01.01.21 - 31.12.21. The balance sheet shows equity of DKK 214,840,829.

The management considers the net profit for the year to be satisfactory.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2022 DKK	2021 DKK
	Gross profit	32,711,790	31,935,533
1	Staff costs	-29,338,688	-28,470,458
	Profit before depreciation, amortisation, write-downs and impairment losses	3,373,102	3,465,075
	Amortisation and impairments losses of intangible assets	-64,703	-299,147
	Operating profit	3,308,399	3,165,928
	Financial income	0	1,346
2	Financial expenses	-153,131	-88,812
	Profit before tax	3,155,268	3,078,462
	Tax on profit for the year	-729,412	-702,962
	Profit for the year	2,425,856	2,375,500
Proposed appropriation account			
	Retained earnings	2,425,856	2,375,500
	Total	2,425,856	2,375,500

Balance sheet

ASSETS		31.12.22	31.12.21
		DKK	DKK
Note			
	Other fixtures and fittings, tools and equipment	75,952	102,207
3	Total property, plant and equipment	75,952	102,207
4	Equity investments in group enterprises	190,233,580	190,233,580
5	Deposits	339,983	339,983
	Total investments	190,573,563	190,573,563
	Total non-current assets	190,649,515	190,675,770
	Receivables from group enterprises	27,557,421	16,521,881
	Deferred tax asset	246,093	110,560
	Other receivables	30,503	148,922
	Total receivables	27,834,017	16,781,363
	Cash	5,845,814	15,482,255
	Total current assets	33,679,831	32,263,618
	Total assets	224,329,346	222,939,388

Balance sheet

EQUITY AND LIABILITIES		31.12.22	31.12.21
		DKK	DKK
Note			
	Share capital	130,000	130,000
	Retained earnings	214,710,829	212,284,973
	Total equity	214,840,829	212,414,973
6	Other provisions	673,738	201,800
	Total provisions	673,738	201,800
	Trade payables	330,967	1,178,430
	Payables to group enterprises	2,534,115	2,621,296
	Income taxes	461,314	700,015
	Other payables	5,488,383	5,822,874
	Total short-term payables	8,814,779	10,322,615
	Total payables	8,814,779	10,322,615
	Total equity and liabilities	224,329,346	222,939,388

7 Contingent liabilities

8 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.01.21 - 31.12.21		
Balance as at 01.01.21	130,000	209,909,473
Net profit/loss for the year	0	2,375,500
Balance as at 31.12.21	130,000	212,284,973
Statement of changes in equity for 01.01.22 - 31.12.22		
Balance as at 01.01.22	130,000	212,284,973
Net profit/loss for the year	0	2,425,856
Balance as at 31.12.22	130,000	214,710,829

	2022	2021
	DKK	DKK

1. Staff costs

Wages and salaries	27,899,675	26,593,642
Pensions	1,333,524	1,612,874
Other social security costs	105,489	263,942
Total	29,338,688	28,470,458

Average number of employees during the year	17	21
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2. Financial expenses

Interest, group enterprises	96,202	0
Other financial expenses	56,929	88,812
Total	153,131	88,812

3. Property, plant and equipment

Figures in DKK	Other fixtures and fittings, tools and equipment
Cost as at 01.01.22	6,262,318
Additions during the year	38,448
Cost as at 31.12.22	6,300,766
Depreciation and impairment losses as at 01.01.22	-6,160,111
Depreciation during the year	-64,703
Depreciation and impairment losses as at 31.12.22	-6,224,814
Carrying amount as at 31.12.22	75,952

4. Equity investments in group enterprises

Figures in DKK	Equity invest- ments in group enterprises
Cost as at 01.01.22	253,041,221
Cost as at 31.12.22	253,041,221
Depreciation and impairment losses as at 01.01.22	-62,807,641
Depreciation and impairment losses as at 31.12.22	-62,807,641
Carrying amount as at 31.12.22	190,233,580

Name and registered office:	Ownership interest	Equity DKK	Net profit/loss for the year DKK	Recognised value DKK
Subsidiaries:				
Podio ApS, Copenhagen	100%	201,082,683	7,931,792	190,233,580

5. Other non-current financial assets

Figures in DKK	Deposits
Cost as at 01.01.22	339,983
Cost as at 31.12.22	339,983
Carrying amount as at 31.12.22	339,983

6. Other provisions

Figures in DKK	Other provisions
Provisions as at 01.01.22	201,800
Provisions during the year	471,938
Provisions as at 31.12.22	673,738

	31.12.22 DKK	31.12.21 DKK
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Other provisions are expected to be distributed as follows:

Non-current liabilities	673,738	201,800
Total	673,738	201,800

The company has entered into lease agreements which oblige the company to make payments of an uncertain amount at an uncertain future date. Based on this, provisions of DKK 674k have been recognised. The provision recognized is calculated using management's best estimate of the obligation.

7. Contingent liabilities

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

8. Related parties

The company is included in the consolidated financial statements of the parent Cloud Software Group Holdings, Inc., The Corporation Trust Company, 1209 Orange St. Wilmington, County of New Castle, Delaware, 19801 USA.

9. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements. The company is a subsidiary of Cloud Software Group Holdings, Inc., The Corporation Trust Company, 1209 Orange St. Wilmington, County of New Castle, Delaware, 19801 USA, which prepares 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 depreciation, amortisation, impairment losses and write-downs, 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 such assets 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 such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

9. Accounting policies - continued -**CURRENCY**

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

INCOME STATEMENT**Gross profit**

Gross profit comprises revenue and other external expenses.

Revenue

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

9. Accounting policies - continued -**Amortisation and impairment losses**

The amortisation of intangible assets aim at systematic amortisation over the expected useful lives of the assets. Assets are amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value, per cent
Other plant, fixtures and fittings, tools and equipment	3	0

The basis of amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises. The parent is the administration company for the joint taxation and thus settles all income tax payments with the tax authorities.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

9. Accounting policies - continued -**BALANCE SHEET****Property, plant and equipment**

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are measured in the balance sheet at cost less any impairment losses. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

9. Accounting policies - continued -

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in subsidiaries exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Cash

Cash includes deposits in bank account.

Provisions

Other provisions comprise expected expenses incidental to restructuring etc. and are recognised when the company has a legal or constructive obligation at the balance sheet date and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realisable value or fair value if the provision is expected to be settled over the longer term.

9. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.