



## Brightstar 20:20 (DK) A/S

A.P. Møllers Allé 43 B  
2791 Dragør  
CVR No. 25484142

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 18.05.2020

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**Torben Pedersen**  
Conductor

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# Entity details

## Entity

Brightstar 20:20 (DK) A/S

A.P. Møllers Allé 43 B

2791 Dragør

CVR No.: 25484142

Registered office: Dragør

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Michael David Eugene Singer, Chairman

Torben Pedersen

Åsa Lundbäck

Harald Anderssen

## Executive Board

Torben Pedersen, CEO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Brightstar 20:20 (DK) A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 18.05.2020

## Executive Board

**Torben Pedersen**  
CEO

## Board of Directors

**Michael David Eugene Singer**  
Chairman

**Torben Pedersen**

**Åsa Lundbäck**

**Harald Anderssen**

# Independent auditor's report

## To the shareholders of Brightstar 20:20 (DK) A/S

### Opinion

We have audited the financial statements of Brightstar 20:20 (DK) A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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. 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Copenhagen, 18.05.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Jens Jørgensen Baes**

State Authorised Public Accountant  
Identification No (MNE) mne14956

**Henrik Wolff Mikkelsen**

State Authorised Public Accountant  
Identification No (MNE) mne33747

# Management commentary

## Primary activities

The company's main activity is within distribution and services in the Danish telecom market.

## Description of material changes in activities and finances

The financial year 2019 has been characterized by high activity in our Distribution business. The company has entered and pursued new business areas with a significant positive result and outcome. At the same time, existing business areas have been successfully developed and strengthened.

Internally, the company has continued to optimize and design the organizational structure matching the existing and future needs and strategic goals. Preparations and focus on existing services, products and relationships are still in high focus and the foundation for an exciting and evolving 2020 is initiated.

The company has continued to strengthen and expand Nordic cooperation, and as being part of the EMEA region, the company has also gained a more individual profile.

Financially, the result is considered very satisfying exceeding the initial expectations.

Looking forward into 2020, the company's ambition is to continue the positive development both regarding activities and financially.

## Events after the balance sheet date

Subsequent to December 31, 2019, there was a global outbreak of a novel strain of coronavirus, COVID-19. The Company has already acted upon the current situation in order to prepare and strengthen the company to the imminent challenges.

Year to date, the spread of COVID-19 has not to a material extent impacted the company, however at this time it is not possible to predict the influence in the coming months. In the original 2020 budget, the company's ambition was to continue the positive development both regarding activities and financially. As the potential impact is unknown at this time, this has not been included when setting the expectations for activity and earnings in 2020.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>12,386,809</b>	<b>2,411,166</b>
Staff costs	2	(4,534,763)	(5,951,874)
<b>Operating profit/loss</b>		<b>7,852,046</b>	<b>(3,540,708)</b>
Other financial income	3	137,303	16,610
Other financial expenses	4	(725,288)	(128,937)
<b>Profit/loss before tax</b>		<b>7,264,061</b>	<b>(3,653,035)</b>
Tax on profit/loss for the year	5	(1,606,731)	811,550
<b>Profit/loss for the year</b>		<b>5,657,330</b>	<b>(2,841,485)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		5,657,330	(2,841,485)
<b>Proposed distribution of profit and loss</b>		<b>5,657,330</b>	<b>(2,841,485)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		0	0
<b>Property, plant and equipment</b>	6	<b>0</b>	<b>0</b>
Deposits		84,000	206,617
<b>Other financial assets</b>	7	<b>84,000</b>	<b>206,617</b>
<b>Fixed assets</b>		<b>84,000</b>	<b>206,617</b>
Manufactured goods and goods for resale		33,715	19,455
<b>Inventories</b>		<b>33,715</b>	<b>19,455</b>
Trade receivables		7,427,656	8,681,393
Receivables from group enterprises		7,863,445	8,830,122
Deferred tax		0	843,877
Other receivables		256,283	156,979
Income tax receivable		0	239,000
Prepayments		83,189	15,597
<b>Receivables</b>		<b>15,630,573</b>	<b>18,766,968</b>
<b>Current assets</b>		<b>15,664,288</b>	<b>18,786,423</b>
<b>Assets</b>		<b>15,748,288</b>	<b>18,993,040</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		500,000	500,000
Retained earnings		11,084,242	5,426,912
<b>Equity</b>		<b>11,584,242</b>	<b>5,926,912</b>
Deferred tax		14,035	0
<b>Provisions</b>		<b>14,035</b>	<b>0</b>
Bank loans		0	272
Trade payables		1,413,050	765,004
Payables to group enterprises		131,660	10,167,433
Income tax payable		362,820	0
Other payables	8	2,242,481	2,133,419
<b>Current liabilities other than provisions</b>		<b>4,150,011</b>	<b>13,066,128</b>
<b>Liabilities other than provisions</b>		<b>4,150,011</b>	<b>13,066,128</b>
<b>Equity and liabilities</b>		<b>15,748,288</b>	<b>18,993,040</b>
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	9		
Group relations	10		

# Statement of changes in equity for 2019

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	500,000	5,426,912	5,926,912
Profit/loss for the year	0	5,657,330	5,657,330
<b>Equity end of year</b>	<b>500,000</b>	<b>11,084,242</b>	<b>11,584,242</b>

# Notes

## 1 Events after the balance sheet date

Subsequent to December 31, 2019, there was a global outbreak of a novel strain of coronavirus, COVID-19. The Company has already acted upon the current situation in order to prepare and strengthen the company to the imminent challenges.

Year to date, the spread of COVID-19 has not to a material extent impacted the company, however at this time it is not possible to predict the influence in the coming months. In the original 2020 budget, the company's ambition was to continue the positive development both regarding activities and financially. As the potential impact is unknown at this time, this has not been included when setting the expectations for activity and earnings in 2020.

## 2 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	4,147,436	5,251,383
Pension costs	273,012	361,055
Other social security costs	45,077	55,919
Other staff costs	69,238	283,517
	<b>4,534,763</b>	<b>5,951,874</b>
Average number of full-time employees	<b>6</b>	<b>9</b>

## 3 Other financial income

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	89	9
Exchange rate adjustments	136,975	16,408
Other financial income	239	193
	<b>137,303</b>	<b>16,610</b>

## 4 Other financial expenses

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	0	504
Other interest expenses	102,568	99,774
Exchange rate adjustments	622,720	28,659
	<b>725,288</b>	<b>128,937</b>

**5 Tax on profit/loss for the year**

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	748,820	0
Change in deferred tax	857,911	(811,550)
	<b>1,606,731</b>	<b>(811,550)</b>

**6 Property, plant and equipment**

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	114,017
Disposals	(114,017)
<b>Cost end of year</b>	<b>0</b>
Depreciation and impairment losses beginning of year	(114,017)
Reversal regarding disposals	114,017
<b>Depreciation and impairment losses end of year</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>

**7 Financial assets**

	<b>Deposits DKK</b>
Cost beginning of year	206,617
Additions	84,000
Disposals	(206,617)
<b>Cost end of year</b>	<b>84,000</b>
<b>Carrying amount end of year</b>	<b>84,000</b>

**8 Other payables**

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
VAT and duties	794,764	486,222
Wages and salaries, personal income taxes, social security costs, etc payable	949,502	1,105,360
Holiday pay obligation	493,718	538,880
Other costs payable	4,497	2,957
	<b>2,242,481</b>	<b>2,133,419</b>

## 9 Unrecognised rental and lease commitments

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Liabilities under rental or lease agreements until maturity in total	<b>678,110</b>	<b>228,356</b>

## 10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
Softbank Corp, Japan

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Brightstar 20:20 (SWE) AB, Sweden

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.



**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Other financial income**

Other financial income comprises interest income, including payables and transactions in foreign currencies, as tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, as tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at costless accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is costless estimated residual value after the end of useful life. Straightline depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Income tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.