
Juniper Networks Denmark ApS

Annual Report for 2017

CVR - no 25 81 66 76

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company
on 31 / May 2018



Chairman

Company Address:
Juniper Networks Denmark ApS
Tuborg Havnevej 18
2900 Hellerup
Denmark

Juniper Networks Denmark ApS
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Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Juniper Networks 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 financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

In our opinion, the management's report gives a true and fair statement of the matters dealt with by the company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 31 May 2018

Executive Board



Johannes Wilhelmus Albers

Supervisory Board

Stephen Patrick Byrne



Johannes Wilhelmus Albers

Terrance Floyd Spidell

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Copenhagen, 31 May 2018

Executive Board

Johannes Wilhelmus Albers

Supervisory Board



Stephen Patrick Byrne

Johannes Wilhelmus Albers



Terrance Floyd Spidell

Independent auditor's report

To the shareholders of Juniper Networks Denmark ApS

Opinion

We have audited the financial statements of Juniper Networks Denmark ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and 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 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 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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 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 note 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.

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 the Management's review.

Copenhagen, 31 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter Jensen
State Authorised
Public Accountant
MNE no.: mne33246

**Juniper Networks Denmark ApS
Company Information**

The Company

Juniper Networks Denmark ApS
Tuborg Havnevej 18
2900 Hellerup

CVR- nr: 25 81 66 76

Financial period: 1 January - 31
December
Municipality of reg. office:
Copenhagen

Supervisory Board

Stephen Patrick Byrne
Johannes Wilhelmus Albers
Terrance Floyd Spidell

Executive Board

Johannes Wilhelmus Albers

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab
Osvold Helmuths Vej 4, P.O Box 250,
20000 Frederiksberg,
Denmark

Juniper Networks Denmark ApS
Management's review

Main activity

The Company is engaged in the sales support, marketing and customer support services of internet protocol secure networking solutions for the Juniper Networks Group in Denmark.

Development in the year

The income statement of the Company for 2017 shows a profit of DKK 267,753 and at 31 December 2017 the balance sheet of the Company shows equity of DKK 5,985,748.

Unusual matters having affected the financial statements

During the preparation of the financial statements for 2017, the Company realized that the financial statements for 2016 included an error in the income statement. Due to a mistake, the tax expense for 2016 was not presented and recognized in the income statement, but correctly reduced the equity at 31 December 2016. Furthermore, it appeared correctly in the notes. Therefore, the error has been corrected by restating comparatives for the income statement in the current-year financial statements.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Juniper Networks Denmark ApS
Income Statement 1 January - 31 December

	Note	2017 DKK	2016 DKK
Revenue		8,820,151	12,599,893
Other external expenses		(2,068,749)	(2,234,818)
Gross profit		6,751,403	10,365,075
Staff expenses	1	(6,331,396)	(9,767,298)
Profit before financial income and expenses		420,006	597,776
Financial income	2	0	10,250
Financial expenses	2	(66,869)	(14,756)
Profit before tax		353,137	593,271
Tax on profit for the year	3	(85,384)	(148,070)
Net profit for the year		267,753	445,201

Distribution of profit

Proposed distribution of profit

Retained earnings		267,753	445,201
		267,753	445,201

Juniper Networks Denmark ApS
Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2017</u> DKK	<u>2016</u> DKK
Deposits		119,881	119,881
Financial Assets		119,881	119,881
Financial Assets		119,881	119,881
Trade receivables		1,585	0
Receivables from group companies		1,589,830	964,207
Other receivables		125,199	135,448
Corporation tax		53,474	50,627
Prepayments		53,962	45,950
Receivables		1,824,050	1,196,232
Cash at bank and in hand		7,012,086	6,874,115
Currents assets		8,836,136	8,070,347
Assets		8,956,017	8,190,228
Liabilities and equity			
Share capital		125,000	125,000
Retained earnings		5,860,748	5,592,995
Equity	4	5,985,748	5,717,995
Trade payables		321,545	249,514
Other payables		2,648,724	2,222,719
Current Liabilities other than provisions		2,970,269	2,472,233
Liabilities and equity		8,956,017	8,190,228

Juniper Networks Denmark ApS
Notes to the Annual Report

	<u>2017</u> DKK	<u>2016</u> DKK
1 Staff expenses		
Wages and salaries	5,952,380	9,184,171
Pensions	357,496	430,499
Other social security expenses	21,521	152,628
	<u>6,331,396</u>	<u>9,767,298</u>
Average number of employees	<u>4</u>	<u>5</u>
2 Financial income/expenses		
Other expenses	63,306	3,056
Exchange adjustments	3,564	3,668
	<u>66,869</u>	<u>6,724</u>
3 Tax on profit/loss for the year		
Current tax for the year	85,384	148,070
	<u>85,384</u>	<u>148,070</u>

Juniper Networks Denmark ApS
Notes to the Annual Report (Continued)

4 Equity	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	125,000	5,592,995	5,717,995
Net profit/loss for the year	-	267,753	267,753
Equity at 31 December	125,000	5,860,748	5,985,748

The share capital consists of 125 shares of a nominal value of DKK 1,000. No shares carry any special rights. No changes in share capital for the past five years.

5 Contingent assets, liabilities and other financial obligations

At 31 December 2017 the company had annual commitments under cancellable operating leases as set out below:

	<u>2017</u>	<u>2016</u>
	DKK	DKK
<u>Operating leases:</u>		
Within one year	479,568	239,778
	<u>479,568</u>	<u>239,778</u>

The 2017 lease can be terminated with 90 days notice period by either party.

6 Charges and securities
 No security has been placed

7 Related parties and ownership

Basis

Controlling interest
 Juniper Networks International BV Controlling shareholder

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Juniper Networks International BV

Juniper Networks Denmark ApS Accounting Policies

Basis of Preparation

The Annual Report of Juniper Networks Denmark ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The Annual Report for 2017 is presented in DKK.

During the preparation of the financial statements for 2017, the Company realized that the financial statements for 2016 included an error in income statement. Due to a mistake, the tax expense for 2016 was not presented and recognized in the income statement, but correctly reduced the equity at 31 December 2016. Furthermore, it appeared correctly in the notes. Therefore, the error has been corrected by restating comparatives for the income statement in the current-year financial statements. The restatement only affected the comparative income statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

The functional currency of the entity is Danish Krone. Foreign currency transactions are calculated at the spot rate. The period end rate is the spot rate as reported on a pre-designated day of each calendar month. The daily rate is set as the previous months period end rate. This is to record all accounting transactions in the current accounting month.

At each balance sheet date:

- foreign currency monetary items are translated using the closing rate
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in the statement of income in the period in which they arise.

Juniper Networks Denmark ApS
Accounting Policies (Continued)

Income Statement

Revenue

Revenue from sales support, marketing activities and customer support services is recognised in the income statement when delivery and transfer of risk has been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises and office expenses, etc.

Staff expenses

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses where there is objective evidence that a receivable or a portfolio of receivables have been impaired. If there is objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Juniper Networks Denmark ApS
Accounting Policies (Continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on account taxation scheme are recognised in the income statement in financial income and expenses.

Liabilities

Financial liabilities comprising amounts owed to trade payables, payables to group enterprises and other payables are measured at net realisable value.