


**Sprintlink Denmark ApS**  
c/o NJORD Law Firm, Pilestræde 58, 1112 Copenhagen

Company reg. no. 25 85 00 09

**Annual report**

**1 April 2019 - 31 March 2020**

The annual report was submitted and approved by the general meeting on the 30 June 2020.



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Lars Lokdam  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's report**

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The executive board has today presented the annual report of Sprintlink Denmark ApS for the financial year 1 April 2019 - 31 March 2020.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 March 2020 and of the company's results of activities in the financial year 1 April 2019 – 31 March 2020.

I recommend that the annual report be approved by the general meeting.

Copenhagen, 30 June 2020

**Executive board**



Katie Marie True-Awtry

## **Independent auditor's report**

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*To the shareholders of Sprintlink Denmark ApS*

### **Opinion**

We have audited the financial statements of Sprintlink Denmark ApS for the financial year 1 April 2019 – 31 March 2020, comprising 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 Company's assets, liabilities and financial position at 31 March 2020 and of the results of the Company's operations for the financial year 1 April 2019 – 31 March 2020 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 responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Independent auditor's report**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance 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 the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

## **Independent auditor's report**

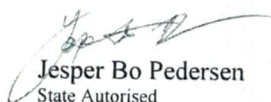
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 30 June 2020

### **KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR-nr./CVR no. 25 57 81 98



**Jesper Bo Pedersen**  
State Authorised  
Public Accountant  
mne42778

## **Company information**

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### **The company**

Sprintlink Denmark ApS  
c/o NJORD Law Firm  
Pilestræde 58  
1112 Copenhagen

Company reg. no. 25 85 00 09  
Domicile: Copenhagen  
Financial year: 1 April 2019 - 31 March 2020

### **Executive Board**

Katie Marie True-Awtry

### **Auditors**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø

## **Accounting policies**

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The annual report for Sprintlink Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual report is presented in Danish kroner (DKK).

### **Recognition and measurement in general**

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

At the first recognition, assets and liabilities are measured at cost. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### **Foreign currency translation**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.



## **Accounting policies**

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### **Income statement**

#### **Revenue**

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

#### **Other external costs**

Other external costs comprise costs for distribution, sales, advertisement, administration and premises.

#### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

#### **Depreciation, amortisation, and writedown**

Depreciation, amortisation and writedown comprise amortisation, depreciation and impairment relating to tangible fixed assets.

#### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

#### **Tax of the result for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

## **Accounting policies**

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### **Balance sheet**

#### **Property, plant, and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Depreciation takes place on a straight-line basis and based on an evaluation of the expected useful life:

Other plants and equipment	Useful life 3-11 years
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#### **Impairment of fixed assets**

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

#### **Financial fixed assets**

Financial assets consist of deposits.

#### **Deposits**

Deposits are measured at amortised cost and represent lease deposits, etc.

#### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

#### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

#### **Available funds**

Available funds comprise cash at bank and in hand.

#### **Liabilities**

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

## **Income statement 1 April - 31 March**

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All amounts in DKK.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Revenue	7.775.797	6.561.994
Other external costs	-4.352.692	-3.331.268
<b>Gross profit</b>	<b>3.423.105</b>	<b>3.230.726</b>
2 Staff costs	-3.056.049	-2.911.530
Depreciation and impairment of tangible fixed assets	-132.282	-160.196
<b>Operating profit</b>	<b>234.774</b>	<b>159.000</b>
Financial income	3.205	60.648
Financial costs	-38.457	-135.478
<b>Result before tax</b>	<b>199.522</b>	<b>84.170</b>
Tax on ordinary results	0	0
<b>Result for the year</b>	<b>199.522</b>	<b>84.170</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	199.522	84.170
<b>Total allocations and transfers</b>	<b>199.522</b>	<b>84.170</b>

## Balance sheet at 31 March

All amounts in DKK.

<b>Assets</b>			
<u>Note</u>		<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>			
3	Property	0	33.268
4	Other plants, and equipment	392.841	497.627
	Tangible fixed assets in total	<u>392.841</u>	<u>530.895</u>
	Deposits	36.000	36.000
	Financial fixed assets in total	<u>36.000</u>	<u>36.000</u>
	<b>Total non-current assets</b>	<b><u>428.841</u></b>	<b><u>566.895</u></b>
<b>Current assets</b>			
	Trade receivables	720.996	1.107.000
	Amounts owed by group enterprises	13.053.163	13.528.766
	Accrued income and deferred expenses	1.749	216.633
	Total receivables	<u>13.775.908</u>	<u>14.852.399</u>
	Available funds	2.243.689	783.765
	<b>Total current assets</b>	<b><u>16.019.597</u></b>	<b><u>15.636.164</u></b>
	<b>Total assets</b>	<b><u>16.448.438</u></b>	<b><u>16.203.059</u></b>

## Balance sheet at 31 March

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All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	151.000	151.000
Retained earnings	15.311.036	15.111.514
<b>Total equity</b>	<b>15.462.036</b>	<b>15.262.514</b>
<b>Liabilities</b>		
Trade payables	43.086	0
Other debts	943.316	940.545
Total short-term liabilities	986.402	940.545
<b>Total liabilities</b>	<b>986.402</b>	<b>940.545</b>
<b>Total equity and liabilities</b>	<b>16.448.438</b>	<b>16.203.059</b>

- 1 The significant activities of the enterprise
- 5 Contingencies
- 6 Related parties

## **Statement of changes in equity**

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 April 2019	151.000	15.111.514	15.262.514
Profit or loss for the year brought forward	0	199.522	199.522
<b>Equity 31 March 2020</b>	<b>151.000</b>	<b>15.311.036</b>	<b>15.462.036</b>

## Notes

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All amounts in DKK.

### 1. The significant activities of the enterprise

The principal activity of Sprintlink Denmark ApS is the supply of network capacity to Sprint Corporations multinational customers and local Danish costumers. These services are provided in conjunction with Sprint Corporation (located in the US) and other Sprint International affiliates located around the world.

There are no significant changes in the company's activities and financial operations.

	<u>2019/20</u>	<u>2018/19</u>
<b>2. Staff costs</b>		
Salaries and wages	2.811.158	2.676.063
Pension costs	226.161	213.021
Other costs for social security	4.734	4.544
Other staff costs	13.996	17.902
	<u><b>3.056.049</b></u>	<u><b>2.911.530</b></u>
Average number of employees	<u>2</u>	<u>2</u>
<b>3. Property</b>		
Cost 1 April	33.268	33.268
Disposals during the year	-5.772	0
Transfers	-27.496	0
<b>Cost 31 March</b>	<u><b>0</b></u>	<u><b>33.268</b></u>
<b>Carrying amount, 31 March</b>	<u><b>0</b></u>	<u><b>33.268</b></u>

## Notes

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All amounts in DKK.

	<u>31/3 2020</u>	<u>31/3 2019</u>
<b>4. Other plants and equipment</b>		
Cost 1 April	39.765.360	39.765.360
Additions during the year	27.496	0
<b>Cost 31 March</b>	<b><u>39.792.856</u></b>	<b><u>39.765.360</u></b>
Amortisation and writedown 1 April	-39.267.733	-39.107.537
Depreciation for the year	-132.282	-160.196
<b>Amortisation and writedown 31 March</b>	<b><u>-39.400.015</u></b>	<b><u>-39.267.733</u></b>
<b>Carrying amount, 31 March</b>	<b><u>392.841</u></b>	<b><u>497.627</u></b>

## 5. Contingencies

### Contingent liabilities

The Company has entered into an agreement on rent of premises. The commitment amounts to TDKK 24 until the first possible term of notice. The agreement has a duration of 14 months.

The Company has entered into a 5 year agreement regarding rent of infrastructure and premises for technical equipment, totalling of TDKK 21. The agreement has a duration of 7 months.

## 6. Related parties

### Consolidated financial statements

The company is included in the consolidated financial statements of Sprint Corporation Inc.

Name and place of registered office:

Sprint Corporation Inc.

6100 Sprint Parkway, Overland Park, KS 66251-6115, USA