

IPVista A/S

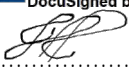
Jens Juuls Vej 42, 8260 Viby J

CVR no. 26 79 79 85

Annual report 2021

Approved at the Company's annual general meeting on 24 June 2022

Chair of the meeting:

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Henrik Resling-Jepsen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of IPVista A/S for the financial year 1 January - 31 December 2021.

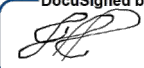
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

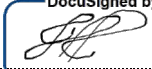
Aarhus, 24 June 2022
Executive Board:

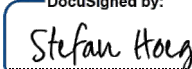
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Henrik Resting-Jepesen

Board of Directors:

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Frederik Petrus Antonius
Cornelis Stolwijk
Chair

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Henrik Resting-Jepesen

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Stefan Høg

Independent auditor's report

To the shareholder of IPVista A/S

Opinion

We have audited the financial statements of IPVista A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 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' 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.

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 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 the 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 Company's internal control.

Independent auditor's report

- ▶ 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 Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 24 June 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Steen Skorstengaard
State Authorised Public Accountant
mne19709

Management's review

Company details

Name IPVista A/S
Address, Postal code, City Jens Juuls Vej 42, 8260 Viby J

CVR no. 26 79 79 85
Established 26 September 2002
Registered office Aarhus
Financial year 1 January - 31 December

Board of Directors Frederik Petrus Antonius Cornelis Stolwijk, Chair
Henrik Resting-Jeppesen
Stefan Høg

Executive Board Henrik Resting-Jeppesen

Auditors EY Godkendt Revisionspartnerselskab
Værkmestergade 25, P.O. Box 330, 8100 Aarhus C,
Denmark

Bankers Danske Bank A/S

Management commentary

Business review

The Company's main business is sale of IT-infrastructure as well as development of marketing concepts and activities.

Financial review

The income statement for 2021 shows a profit of DKK 179,075 against a loss of DKK 36,566 last year, and the balance sheet at 31 December 2021 shows equity of DKK 7,920,981.

Management considers the Company's financial performance in the year satisfactory.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2021	2020
	Gross profit	358,906	1,218,928
2	Staff costs	-247,317	-1,059,809
	Profit before net financials	111,589	159,119
	Financial income	133,534	4,868
	Financial expenses	-15,540	-210,789
	Profit/loss before tax	229,583	-46,802
3	Tax for the year	-50,508	10,236
	Profit/loss for the year	179,075	-36,566
	Recommended appropriation of profit/loss	179,075	-36,566
	Retained earnings/accumulated loss	179,075	-36,566

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2021	2020
	ASSETS		
	Non-fixed assets		
	Receivables		
	Trade receivables	2,468	20,872
	Receivables from group entities	307,651	517,681
	Receivables from group entities, cash pool	7,891,258	7,627,038
	Joint taxation contribution receivable	0	10,236
		<u>8,201,377</u>	<u>8,175,827</u>
	Total non-fixed assets	<u>8,201,377</u>	<u>8,175,827</u>
	TOTAL ASSETS	<u>8,201,377</u>	<u>8,175,827</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	2,000,000	2,000,000
	Retained earnings	5,920,981	5,741,906
	Total equity	<u>7,920,981</u>	<u>7,741,906</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	81,980	38,335
	Payables to group entities	18,927	15,592
	Joint taxation contribution payable	50,508	0
	Other payables	128,981	379,994
		<u>280,396</u>	<u>433,921</u>
	Total liabilities other than provisions	<u>280,396</u>	<u>433,921</u>
	TOTAL EQUITY AND LIABILITIES	<u>8,201,377</u>	<u>8,175,827</u>

- 1 Accounting policies
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral
- 6 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2020	2,000,000	5,778,472	7,778,472
Transfer through appropriation of loss	0	-36,566	-36,566
Equity at 1 January 2021	2,000,000	5,741,906	7,741,906
Transfer through appropriation of profit	0	179,075	179,075
Equity at 31 December 2021	2,000,000	5,920,981	7,920,981

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of IPVista A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating 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 pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

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 has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

	2021	2020
DKK		
2 Staff costs		
Wages/salaries	682,585	1,168,848
Pensions	15,918	27,593
Other social security costs	10,775	16,520
Other staff costs	26,804	89,454
Re-invoicing of wages and salaries	-488,765	-242,606
	<u>247,317</u>	<u>1,059,809</u>
	2021	2020
Average number of full-time employees	<u>1</u>	<u>2</u>

	2021	2020
DKK		
3 Tax for the year		
Estimated tax charge for the year	50,508	-10,236
	<u>50,508</u>	<u>-10,236</u>

4 Contractual obligations and contingencies, etc.

The Company is jointly taxed with Arrow Electronics Danish Holdings ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

Financial statements 1 January - 31 December

Notes to the financial statements

5 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

6 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Arrow Electronics, Inc.	Centennial, Colorado, USA	https://investor.arrow.com/financials/financial-results/default.aspx
Arrow Electronics EMAESA S.r.l	Milan, Italy	Viale Fulvio Testi, 280, Milan, 20126, Italy