

## **Spectralink Denmark ApS**

Bygholm Søpark 21 E  
8700 Horsens

CVR no. 29 17 78 72

### **Annual report for 2019**

(14th Financial year)

Adopted at the annual general meeting  
on 31 August 2020

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Michael Larsen  
chairman

## Table of contents

	Page
<b>Statements</b>	
Statement by management on the annual report	1
Independent auditor's report	2
<b>Management's review</b>	
Company details	5
Management's review	6
<b>Financial statements</b>	
Accounting policies	7
Income Statement	10
Balance Sheet	11
Notes to the annual report	13

## **Statement by management on the annual report**

The Board of directors and Executive Board have today discussed and approved the annual report of Spectralink Denmark ApS for the financial year 1 January - 31 December 2019.

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 company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Horsens, 31 August 2020

### **Executive board**

Douglas Charles Werking

### **Board of Directors**

Gabriel Orvis  
chairman

Douglas Charles Werking

Michael Larsen

# **Independent auditor's report**

## **To the shareholder of Spectralink Denmark ApS**

### **Opinion**

We have audited the financial statements of Spectralink Denmark ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 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 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 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 the 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 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 judgment and maintain professional skepticism throughout the audit. We also:

## **Independent auditor's report**

- 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 on 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.

## **Independent auditor's report**

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 Act. We did not identify any material misstatement of management's review.

Hellerup, 31 August 2020

CVR no. 33 25 68 76



Lasse Nørgård

State Authorized Public Accountant

MNE no. mne10675

## Company details

### The company

Spectralink Denmark ApS  
Bygholm Søpark 21 E  
8700 Horsens

CVR no.: 29 17 78 72

Reporting period: 1 January - 31 December 2019

Incorporated: 14. November 2005

Domicile: Horsens

### Board of Directors

Gabriel Orvis, chairman  
Douglas Charles Werking  
Michael Larsen

### Executive board

Douglas Charles Werking

### Auditors

Crowe  
Statsautoriseret Revisionsinteressentskab v.m.b.a.  
Rygårds Allé 104  
2900 Hellerup

### Consolidated financial statements

The company is included in the consolidated financial statements of the parent company.

The consolidated financial statements of the parent company may be obtained at the following address:

Spectralink International Corporation  
2560 55th Street,  
Boulder, Colorado 80301  
USA

## **Management's review**

### **Business activities**

The Spectralink Group is specialised in the development, production and marketing of enterprise wireless data and telecommunications systems distributed all over the world.

Spectralink Denmark ApS' solutions are based on open standards and interoperate with most existing and future communications systems. End-users are offered wireless and mobile solutions and are thereby more flexible at work.

### **Financial review**

The company's income statement for the year ended 31 December 2019 shows a loss of TDKK 2,7152, and the balance sheet at 31 December 2019 shows equity of TDKK 25,415.

Management expects positive profit development for 2020.

### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## **Accounting policies**

The annual report of Spectralink Denmark ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2019 is presented in TDKK.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared 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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

## **Income statement**

### **Revenue**

### **Financial income and expenses**

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

### **Profit/loss from investments in subsidiaries**

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the company after full elimination of intra-group profits/losses.

## **Accounting policies**

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

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

### **Balance sheet**

#### **Investments in subsidiaries**

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, less or plus unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill made up according to the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Spectralink Denmark ApS is adopted are not taken to the net revaluation reserve.

#### **Receivables**

Receivables are measured at amortised cost.

#### **Equity**

##### **Reserve for net revaluation according to the equity method**

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries and associates relative to the cost.

#### **Dividends**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

## **Accounting policies**

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

### **Liabilities**

Financial liabilities also include the capitalised residual finance lease commitment.

**Income statement**  
**1 January 2019 - 31 December 2019**

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Administrative costs		<u>-15</u>	<u>-16</u>
<b>Operating profit/loss</b>		<b>-15</b>	<b>-16</b>
Income from investments in subsidiaries		-2.698	-2.000
Financial costs		<u>-2</u>	<u>-1</u>
<b>Profit/loss before tax</b>		<b>-2.715</b>	<b>-2.017</b>
Tax on profit/loss for the year	1	<u>0</u>	<u>0</u>
<b>Net profit/loss for the year</b>		<b><u>-2.715</u></b>	<b><u>-2.017</u></b>
<b>Proposed distribution of profit</b>			
Retained earnings		<u>-2.715</u>	<u>-2.017</u>
		<b><u>-2.715</u></b>	<b><u>-2.017</u></b>

## Balance sheet at 31 December 2019

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>Assets</b>			
Investments in subsidiaries	2	<u>22.309</u>	<u>25.007</u>
<b>Fixed asset investments</b>		<u><b>22.309</b></u>	<u><b>25.007</b></u>
<b>Total non-current assets</b>		<u><b>22.309</b></u>	<u><b>25.007</b></u>
Receivables from group enterprises		2.982	3.120
Corporation tax		<u>38</u>	<u>0</u>
<b>Receivables</b>		<u><b>3.020</b></u>	<u><b>3.120</b></u>
<b>Cash at bank and in hand</b>		<u><b>86</b></u>	<u><b>3</b></u>
<b>Total current assets</b>		<u><b>3.106</b></u>	<u><b>3.123</b></u>
<b>Total assets</b>		<u><u><b>25.415</b></u></u>	<u><u><b>28.130</b></u></u>

## Balance sheet at 31 December 2019

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
<b>Equity and liabilities</b>			
Share capital		200	200
Share premium account		84.864	84.864
Retained earnings		-59.649	-56.935
<b>Equity</b>	<b>3</b>	<u><b>25.415</b></u>	<u><b>28.129</b></u>
Other payables		<u>0</u>	<u>1</u>
<b>Total current liabilities</b>		<u><b>0</b></u>	<u><b>1</b></u>
<b>Total liabilities</b>		<u><b>0</b></u>	<u><b>1</b></u>
<b>Total equity and liabilities</b>		<u><u><b>25.415</b></u></u>	<u><u><b>28.130</b></u></u>
Contingent liabilities	4		

## Notes

	2019 TDKK	2018 TDKK
<b>1 Tax on profit/loss for the year</b>	<b>0</b>	<b>0</b>
<b>2 Investments in subsidiaries</b>		
Cost at 1 January 2019	466.370	466.370
Cost at 31 December 2019	466.370	466.370
Revaluations at 1 January 2019	-441.363	-439.363
Net profit/loss for the year	-2.698	-2.000
Revaluations at 31 December 2019	-444.061	-441.363
<b>Carrying amount at 31 December 2019</b>	<b>22.309</b>	<b>25.007</b>

## 3 Equity

	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2019	200	84.864	-56.934	28.130
Net profit/loss for the year	0	0	-2.715	-2.715
<b>Equity at 31 December 2019</b>	<b>200</b>	<b>84.864</b>	<b>-59.649</b>	<b>25.415</b>

## 4 Contingent liabilities

The company (management company) is jointly taxed with other Danish group companies. The jointly taxed companies have joint and unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.