

MICROSTRATEGY DENMARK APS
C/O GORRISSEN FEDERSPIEL, AXELTORV 2, 1609 KØBENHAVN V
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2018

The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 12 April 2019

Onno Christian van der Valk

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

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COMPANY DETAILS**Company**

MICROSTRATEGY DENMARK ApS
c/o Gorrissen Federspiel, Axeltorv 2
1609 Copenhagen V

CVR No.: 29 40 24 42
Established: 1 March 2006
Financial Year: 1 January - 31 December

Board of Executives

Phong Quoc Le
Onno Christian van der Valk
Jeremy David Price

Auditor

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
1561 Copenhagen V

**Oversættelses-
forbehold**

Translation Disclaimer
Übersetzungvorbehalt

Den del af dette dokument er en uofficiel oversættelse af den originale danske tekst, og i tilfælde af uoverensstemmelse mellem den danske tekst og den oversættelse, har den danske tekst forrang.

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

Der deutsche Teil dieses Textes ist eine inoffizielle Übersetzung der dänischen Originalfassung. Im Falle einer Abweichung zwischen dem dänischen Text und der deutschen Übersetzung, hat der dänische Text Gültigkeit.

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of MICROSTRATEGY DENMARK ApS for the financial year 1 January - 31 December 2018.

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 Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 12 April 2019

Board of Executives

Phong Quoc Le

Onno Christian van der Valk

Jeremy David Price

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MICROSTRATEGY DENMARK ApS

Opinion

We have audited the Financial Statements of MICROSTRATEGY DENMARK ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, notes and 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 assets, liabilities and financial position of the Company's at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 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 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:

- 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.

INDEPENDENT AUDITOR'S REPORT

- 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.

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.

Copenhagen, 12 April 2019

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Søren Søndergaard Jensen
State Authorised Public Accountant
MNE no. mne32069

MANAGEMENT'S REVIEW

Principal activities

Sale of information software as well as consulting and advisory services within the computer and information industry.

MicroStrategy Denmark ApS was established in 2006 with the purpose of expanding MicroStrategy's presence in Denmark in order to support existing customers and to increase revenue via resellers and partners from our Scandinavian office to Sweden.

Profit/loss for the year compared to future expectations

Gross profit for the year amounts to DKK 776 thousand compared to DKK 2,5 million last year. Profit for the year amounts to DKK 455 thousand compared to a profit of DKK 53 thousand last year.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2018 DKK	2017 DKK
GROSS PROFIT.....		776.346	2.458.516
Staff costs.....	1	-633.055	-1.703.340
OPERATING PROFIT.....		143.291	755.176
Other financial income.....	2	470.710	26.745
Other financial expenses.....		-6.028	-672.756
PROFIT BEFORE TAX.....		607.973	109.165
Tax on profit/loss for the year.....	3	-143.207	-56.454
PROFIT FOR THE YEAR.....		464.766	52.711
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		464.766	52.711
TOTAL.....		464.766	52.711

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2018 DKK	2017 DKK
Rent deposit and other receivables.....		2.560	0
Fixed asset investments.....	4	2.560	0
FIXED ASSETS.....		2.560	0
Trade receivables.....		1.476	924.040
Receivables from group enterprises.....		3.806.486	7.158.168
Deferred tax assets.....		550.487	693.697
Other receivables.....		37.893	0
Receivables.....		4.396.342	8.775.905
Cash and cash equivalents.....		221.380	236.536
CURRENT ASSETS.....		4.617.722	9.012.441
ASSETS.....		4.620.282	9.012.441

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2018 DKK	2017 DKK
Share capital.....		127.000	127.000
Retained earnings.....		3.461.452	2.996.689
EQUITY.....	5	3.588.452	3.123.689
Trade payables.....		212	0
Payables to group enterprises.....		944.075	2.285.328
Other liabilities.....		58.700	744.267
Accruals and deferred income.....		28.843	2.859.157
Current liabilities.....		1.031.830	5.888.752
LIABILITIES.....		1.031.830	5.888.752
EQUITY AND LIABILITIES.....		4.620.282	9.012.441
Contingencies etc.	6		
Related parties	7		

NOTES

	2018 DKK	2017 DKK	Note
Staff costs			1
Average number of employees 1 (2017: 1)			
Wages and salaries.....	509.142	1.620.906	
Social security costs.....	181	82.434	
Other staff costs.....	123.732	0	
	633.055	1.703.340	
Other financial income			2
Group enterprises.....	106.795	26.745	
Other interest income.....	363.915	0	
	470.710	26.745	
Tax on profit/loss for the year			3
Adjustment of tax in previous years.....	0	18.775	
Adjustment of deferred tax.....	143.207	37.679	
	143.207	56.454	
Fixed asset investments			4
		Rent deposit and other receivables	
Additions.....		2.560	
Cost at 31 December 2018.....		2.560	
Carrying amount at 31 December 2018.....		2.560	
Equity			5
	Share capital	Retained earnings	Total
Equity at 1 January 2018.....	127.000	2.996.686	3.123.686
Proposed distribution of profit.....		464.766	464.766
Equity at 31 December 2018.....	127.000	3.461.452	3.588.452
Contingencies etc.			6
The company has no contingent liabilities or lease commitments			

NOTES**Note****Related parties****7**

MicroStrategy Denmark ApS' related parties comprise the following:

Control

MicroStrategy Limited
25 Canada Square, Level 37
E14 5LQ
London

Transactions with related parties

The company did not carry out any substantial transactions that were not concluded on market conditions.

ACCOUNTING POLICIES

The Annual Report of MICROSTRATEGY DENMARK ApS for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale of maintenance contracts recognised on an ongoing basis during the maintenance period. Other services are recognised upon delivery.

Income from the Supply of services is recognised as revenue as the services are delivered.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pensions and other costs for social security etc. for the company's employees.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised gains and losses on transactions denominated in foreign currencies. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Fixed asset investments

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Receivables

Receivables are measured at nominal value. The value is reduced by write-down to meet expected losses.

ACCOUNTING POLICIES

Tax payable and deferred tax

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

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities including trade payables and debt to group enterprises are measured at amortised cost which usually corresponds to the nominal value.

Accruals, liabilities

Deferred Income comprises payments received concerning income in subsequent years.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.