

# HTC Nordic ApS

c/o Redmark, Sommervej 31 C, 8210 Aarhus V

Company reg. no. 33 06 41 87

## Annual report

### 2020

The annual report was submitted and approved by the general meeting on the 18 June 2021.

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**Graham Wheeler**  
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

## Management's report

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The board of directors and the managing director have today presented the annual report of HTC Nordic ApS for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

The board of directors and the managing director considers the requirements of omission of audit of the annual accounts for 2020 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Aarhus V, 3 June 2021

### Managing Director

Graham Wheeler

### Board of directors

Graham Wheeler

Chia-Te Lu

## Auditor's report on compilation of the annual accounts

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### To the shareholder of HTC Nordic ApS

We have compiled the financial statements of HTC Nordic ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the income statement, statement of financial position, statement of changes in equity, notes and accounting policies.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Aarhus, 3 June 2021

### **Redmark**

State Authorised Public Accountants  
Company reg. no. 29 44 27 89

### **Jakob Westerdahl**

State Authorised Public Accountant  
mne31449

## Company information

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<b>The company</b>	HTC Nordic ApS c/o Redmark Sommervej 31 C 8210 Aarhus V
	Company reg. no. 33 06 41 87 Established: 1 July 2010 Domicile: Aarhus Financial year: 1 January - 31 December 11th financial year
<b>Board of directors</b>	Graham Wheeler Chia-Te Lu
<b>Managing Director</b>	Graham Wheeler
<b>Auditors</b>	Redmark Statsautoriseret Revisionspartnerselskab Sommervej 31C 8210 Aarhus V
<b>Parent company</b>	HTC Netherlands BV

## Management commentary

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### **The principal activities of the company**

Like previous years, the principal activities are sale and marketing support regarding HTC products.

### **Development in activities and financial matters**

The results from ordinary activities after tax are DKK 19.136 against DKK 57.551 last year. The management consider the results less satisfactory.

### **Events subsequent to the financial year**

There has been no events subsequent to the financial year.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Gross profit</b>	<b>1.153.048</b>	<b>1.122.335</b>
1 Staff costs	-1.129.210	-1.045.034
<b>Operating profit</b>	<b>23.838</b>	<b>77.301</b>
Other financial income	1.643	1.896
Other financial costs	-801	-4.046
<b>Pre-tax net profit or loss</b>	<b>24.680</b>	<b>75.151</b>
Tax on ordinary results	-5.544	-17.600
<b>Net profit or loss for the year</b>	<b>19.136</b>	<b>57.551</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	19.136	57.551
<b>Total allocations and transfers</b>	<b>19.136</b>	<b>57.551</b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Current assets</b>		
Amounts owed by group enterprises	609.297	770.268
Receivable corporate tax	6.456	12.400
Other debtors	7.400	13.835
Total receivables	<u>623.153</u>	<u>796.503</u>
Available funds	<u>2.179.720</u>	<u>1.882.085</u>
<b>Total current assets</b>	<b><u>2.802.873</u></b>	<b><u>2.678.588</u></b>
<b>Total assets</b>	<b><u>2.802.873</u></b>	<b><u>2.678.588</u></b>



## Statement of financial position at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>		<u>2020</u>	<u>2019</u>
<u>Note</u>			
<b>Equity</b>			
Contributed capital		80.000	80.000
Share premium		856.622	856.622
Retained earnings		<u>1.423.600</u>	<u>1.404.464</u>
<b>Total equity</b>		<b><u>2.360.222</u></b>	<b><u>2.341.086</u></b>
<b>Liabilities other than provisions</b>			
Trade payables		37.300	47.900
Payables to group enterprises		0	17.645
Other payables		<u>405.351</u>	<u>271.957</u>
Total short term liabilities other than provisions		<u>442.651</u>	<u>337.502</u>
<b>Total liabilities other than provisions</b>		<b><u>442.651</u></b>	<b><u>337.502</u></b>
<b>Total equity and liabilities</b>		<b><u>2.802.873</u></b>	<b><u>2.678.588</u></b>

## 2 Related parties

## Statement of changes in equity

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All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2019	80.000	856.622	1.346.913	2.283.535
Profit or loss for the year brought forward	0	0	57.551	57.551
Equity 1 January 2020	80.000	856.622	1.404.464	2.341.086
Profit or loss for the year brought forward	0	0	19.136	19.136
	<b>80.000</b>	<b>856.622</b>	<b>1.423.600</b>	<b>2.360.222</b>

## Notes

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All amounts in DKK.

	<u>2020</u>	<u>2019</u>
<b>1. Staff costs</b>		
Salaries and wages	1.126.938	1.042.762
Other costs for social security	<u>2.272</u>	<u>2.272</u>
	<b><u>1.129.210</u></b>	<b><u>1.045.034</u></b>
Average number of employees	<u>1</u>	<u>1</u>

## 2. Related parties

### Controlling interest

HTC Netherlands B.V.

Parent company

Secoya Building

Papendorpseweg 99

8528 BJ, Utrecht

Netherlands

### Transactions

HTC Corporation

Ultimate parent company

23 xinghua Rd. Taoyuan City 330

Taiwan, R.O.C

### Consolidated annual accounts

HTC Nordic ApS is part of the consolidated financial statements of HTC Corporation which is the smallest group in which the Company is consolidated. The consolidated financial statements can be requisitioned at the company's adress.

## Accounting policies

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The annual report for HTC Nordic 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 are unchanged from last year, and the annual report is presented in DKK.

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

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

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Debtors, creditors, 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.

## Accounting policies

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Fixed assets and non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

### Income statement

#### **Gross profit**

Gross profit comprises the revenue, other operating income, and external costs.

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 comprise costs for sales, administration, etc.

#### **Staff costs**

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

## Accounting policies

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### Net financials

Net financials 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 profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## The balance sheet

### Receivables

#### Available funds

Available funds comprise cash at bank and in hand.

### Equity

#### Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium. The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

### Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

## **Accounting policies**

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### **Liabilities**

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