

## **Spectralink Communications ApS**

Byholm Søpark 21 E  
8700 Horsens

CVR no. 34 87 75 99

### **Annual report for 2015**

(3. financial year)

Adopted at the annual general meeting  
on 20 June 2016

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Michael Larsen  
Chairman

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

Today, the board of directors and the executive board have discussed and approved the annual report of Spectralink Communications ApS for the financial year 1 January - 31 December 2015.

The annual report has been 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 2015 and of the results of its operations for the financial year 1 January - 31 December 2015.

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

We recommend the adoption of the annual report at the annual general meeting.

Horsens, 9 June 2016

### **Executive Board**

Douglas Charles Werking

### **Board of Directors**

Casandra Sue Hofmann

Douglas Charles Werking

Michael Larsen

# **Independent auditor's report**

**To the Shareholder of Spectralink Communications ApS**

## **Report on the financial statements**

We have audited the financial statements of Spectralink Communications ApS for the financial year 1 January - 31 December 2015, which comprise summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's responsibility for the financial statements**

The management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

### **Opinion**

In our opinion, the financial statement give a true and fair view of the company's financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.


## **Independent auditor's report**

### **Statement on management's review**

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the financial statements.

Hellerup, 9 June 2016

CVR-no.33 25 68 76

 Crowe Horwath.

Lasse Nørgård  
State Authorized Public Accountant

## Company details

<b>The company</b>	<p>Spectralink Communications ApS Bygholm Søpark 21 E 8700 Horsens</p> <p>Central Business Registration no.: 34 87 75 99 Financial year: 1 January - 31 December Incorporated: 3 December 2012 Domicile: Horsens</p>
<b>Board of Directors</b>	<p>Casandra Sue Hofmann, Douglas Charles Werking, Michael Larsen</p>
<b>Executive board</b>	<p>Douglas Charles Werking</p>
<b>Auditors</b>	<p>Crowe Horwath Statsautoriseret Revisionsinteressentskab Rygårds Allé 104 2900 Hellerup</p>
<b>Consolidated financial statements</b>	<p>The company is included in the consolidated financial statements of the Parent Company</p> <p>The consolidated financial statements of may be obtained at the following address:</p> <p>Spectralink International Corporation 2560 55th Street, Boulder, Colorado 80301 USA</p>

## **Management's review**

### **Principal activities of the Company**

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

Spectralink Communications 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.

### **Development in activities and financial position**

The Company has realized a loss before tax of DKK 31 thousand (2014: DKK -49,008 thousand).

The Company has prepared an impairment test of the carrying amounts of investments at 31 December 2015. The impairment test showed indications of impairment of DKK 48,992 against an indication of DKK 48,992 thousand at the end of 2014.

### **Capital resources**

As a result of the result for the year, equity decreases from DKK 65,869 thousand at 31 December 2014 to DKK 65,838 thousand at 31 December 2015.

### **Outlook**

Management expects a better result for 2016.

### **Post balance sheet events**

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 Communications ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

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

The annual report for 2015 is presented in Danish kroner

In pursuance of section 112, of the Danish Financial Statements Act, consolidated financial statements have not been prepared.

### **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's 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's 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 instalments 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**

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

Financial income and expenses include interest, realised and unrealised exchange adjustments, as well as extra payments and repayment under the onaccount taxation scheme.

#### **Income from investments in subsidiaries**

Dividend from investments is recognised in the reporting year in which the dividend is declared.

#### **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.



## **Accounting policies**

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.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits..

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

### **Balance sheet**

#### **Investments in subsidiaries**

Investment in subsidiaries are measured at cost. Where the cost exceeds the net realisable value, the carrying amount is reduced to such lower value.

#### **Impairment of fixed assets**

The carrying amount of investments in subsidiaries is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

#### **Equity**

##### **Dividend**

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

#### **Income tax and deffered 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.

Joint taxation contributions payable and receivable are recognised in the balance sheet as income tax receivable or income tax payable, respectively.

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.

Deferred tax is measured on the basis of the taxation rules and taxation rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

## **Accounting policies**

### **Liabilities**

Liabilities are measured at net realisable value.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at 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 rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

## Income statement 1 January - 31 December

	<u>Note</u>	<u>2015</u> DKK '000	<u>2014</u> DKK '000
Other external expenses		-21	-20
<b>Profit/loss before financial income and expenses</b>		<b>-21</b>	<b>-20</b>
Financial costs		0	-48.993
<b>Profit/loss before tax</b>		<b>-21</b>	<b>-49.013</b>
Tax on profit/loss for the year	1	-10	5
<b>Net profit/loss for the year</b>		<b>-31</b>	<b>-49.008</b>
<b>Proposed distribution of profit</b>			
Retained earnings		-31	-49.008
		<b>-31</b>	<b>-49.008</b>

## Balance sheet at 31 December

	<u>Note</u>	<u>2015</u> DKK '000	<u>2014</u> DKK '000
<b>Assets</b>			
Investments in subsidiaries	2	<u>65.900</u>	<u>65.900</u>
<b>Fixed asset investments</b>		<u><b>65.900</b></u>	<u><b>65.900</b></u>
<b>Fixed assets total</b>		<u><b>65.900</b></u>	<u><b>65.900</b></u>
Deferred tax asset		<u>0</u>	<u>10</u>
<b>Receivables</b>		<u><b>0</b></u>	<u><b>10</b></u>
<b>Current assets total</b>		<u><b>0</b></u>	<u><b>10</b></u>
<b>Assets total</b>		<u><u><b>65.900</b></u></u>	<u><u><b>65.910</b></u></u>

## Balance sheet at 31 December

	<u>Note</u>	<u>2015</u> DKK '000	<u>2014</u> DKK '000
<b>Liabilities and equity</b>			
Share capital		80	80
Retained earnings		<u>65.758</u>	<u>65.789</u>
<b>Equity total</b>	3	<u><b>65.838</b></u>	<u><b>65.869</b></u>
Payables to subsidiaries		44	21
Other payables		<u>18</u>	<u>20</u>
<b>Short-term debt</b>		<u><b>62</b></u>	<u><b>41</b></u>
<b>Debt total</b>		<u><b>62</b></u>	<u><b>41</b></u>
<b>Liabilities and equity total</b>		<u><u><b>65.900</b></u></u>	<u><u><b>65.910</b></u></u>
Contingencies, etc.	4		

## Notes to the Annual Report

	<u>2015</u>	<u>2014</u>
	DKK '000	DKK '000
<b>1 Tax on profit/loss for the year</b>		
Deferred tax for the year	<u>10</u>	<u>-5</u>
	<b><u>10</u></b>	<b><u>-5</u></b>
<b>2 Investments in subsidiaries</b>		
Cost at 1 January 2015	<u>114.892</u>	<u>114.892</u>
Cost at 31 December 2015	<u>114.892</u>	<u>114.892</u>
Revaluations at 1 January 2015	-48.992	0
Net profit/loss for the year	<u>0</u>	<u>-48.992</u>
Revaluations at 31 December 2015	<u>-48.992</u>	<u>-48.992</u>
<b>Carrying amount at 31 December 2015</b>	<b><u>65.900</u></b>	<b><u>65.900</u></b>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Votes and ownership</u>	<u>Equity</u>	<u>Net profit/loss for the year</u>
Spectralink Denmark ApS	Horsens	100%	17.416	-2.347

## Notes to the Annual Report

### 3 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2015	80	65.789	65.869
Net profit/loss for the year	0	-31	-31
<b>Equity at 31 December 2015</b>	<b><u>80</u></b>	<b><u>65.758</u></b>	<b><u>65.838</u></b>

### 4 Contingencies, etc.

The 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.