

Cisco Technology Denmark ApS

Lautrupsgade 7, 2100 Copenhagen

CVR no. 35 03 99 45

Annual report 2019/20

Approved at the annual general meeting of shareholders on ..09..12.20

Chairman:

DocuSigned by:

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Torben Waage

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1. Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Cisco Technology Denmark ApS for the financial year 1 August 2019 - 31 July 2020.

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 July 2020 and of the results of the Company's operations for the financial year 1 August 2019 - 31 July 2020.

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

The Annual General Meeting has decided that the Financial Statements for next year are not to be subject to any audit.

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

12/9/2020

Copenhagen, _____

Executive Board:

Carsten Videcrantz

Carsten Videcrantz

Board of Directors:

Mark Thomas Gorman

Mark Thomas Gorman

12/9/2020

Carsten Videcrantz

Carsten Videcrantz

12/9/2020

Sajaid Rashid

Sajaid Rashid

12/9/2020

2. Independent Auditor's Report

To the Shareholders of Cisco Technology Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 July 2020, and of the results of the Company's operations for the financial year 1 August 2019 - 31 July 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Cisco Technology Denmark ApS for the financial year 1 August 2019 - 31 July 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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.

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, in our view, 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 in Management's Review.

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 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.
- 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.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Non-compliance with the Danish accounting legislation

The company holds contrary to statutory requirements according material abroad, whereby management can assume liability hereby.

Hellerup, 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Allan Kamp Jensen

12/9/2020

Allan Kamp Jensen

State Authorised Public Accountant

MNE 15126

3. Company details

Name	Cisco Technology Denmark ApS
Address, Postal code, City	Lautrupsgade 7, 2100 Copenhagen
CVR no.	35 03 99 45
Established	7 February 2013
Registered office	Copenhagen
Financial year	1 August 2019 - 31 July 2020
Website	www.cisco.dk
Board of Directors	Mark Thomas Gorman Carsten Videcrantz Sajaid Rashid
Executive Board	Carsten Videcrantz
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup
Bankers	SEB Merchant Banking

4. Management's review

4.1. Management commentary

Business review

Cisco Technology Denmark ApS (The Company) conducts business activity in following areas:

- advisory and consulting services in relation to networking systems, information systems and related products,
- provides support in program and project management, installation, technical assistance, training and repair and maintenance services with reference to networking systems,
- buy, sell, import, export, ship, distribute, including pre-sale and post-sale activities and trade in whatsoever form, including internet, also on behalf of or in association with third parties, network, infrastructure software and hardware, integration products, electronic products,
- technical consulting, project management, service delivery and the importation and ownership of networking products, parts, and accessories as assets of the Company in order to deliver capabilities as a service offering to external customers,
- network implementation and operating services and carry out any activities directly or indirectly related to the attainment of the foregoing business objectives.

5. Financial statements for the period 1 August 2019 - 31 July 2020**5.1. Income statement**

Note	DKK	2019/20	2018/19
	Gross margin	1.269.170	1.648.965
2	Staff costs	0	0
	Amortization/depreciation and impairment of intangible assets and property, plant and equipment	-1.051.642	-1.299.861
	Profit before net financials	217.528	349.104
3	Financial income	37.610	0
4	Financial expenses	-28.911	-78.245
	Profit before tax	226.227	270.859
5	Tax for the year	-49.770	-59.589
	Profit for the year	176.457	211.270
Proposed profit appropriation			
	Retained earnings	176.457	211.270

Financial statements for the period 1 August 2019 - 31 July 2020**5.2. Balance sheet**

Note	DKK	2019/20	2018/19
	ASSETS		
	Non-current assets		
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	321.181	1.372.824
	Total non-current assets	321.181	1.372.824
	Current assets		
	Receivables		
	Receivables to group entities	222.409	0
	Deferred tax assets	583.593	569.762
	Other receivables	186.586	1.342.126
	Prepayments	31.891	0
	Total receivables	1.024.479	1.911.888
	Cash at bank and in hand	1.028.941	928.155
	Total current assets	2.053.420	2.840.043
	TOTAL ASSETS	2.374.601	4.212.867
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	80.000	80.000
	Retained earnings	1.507.511	1.331.055
	Total equity	1.587.511	1.411.055
	Current liabilities other than provisions		
	Payables to group entities	502.695	2.318.675
	Income taxes payable	122.445	280.634
	Other payables	161.950	202.503
	Total current liabilities other than provisions	787.090	2.801.812
	TOTAL EQUITY AND LIABILITIES	2.374.601	4.212.867
1	Accounting policies		
8	Contractual obligations and contingencies		
9	Collateral		
10	Related parties		

Financial statements for the period 1 August 2019 - 31 July 2020**5.3. Statement of changes in equity**

DKK	Share capital	Retained earnings	Total
Equity at 1 August 2015	80.000	248.004	328.004
Profit/ loss for the year	0	382.282	382.282
Equity at 1 August 2016	80.000	630.286	710.286
Profit/ loss for the year	0	279.259	279.259
Equity at 1 August 2017	80.000	909.545	989.545
Profit/ loss for the year	0	210.240	210.240
Equity at 31 July 2018	80.000	1.119.785	1.199.785
Profit/ loss for the year	0	211.270	211.270
Equity at 31 July 2019	80.000	1.331.055	1.411.055
Profit/ loss for the year	0	176.457	176.457
Equity at 31 July 2020	80.000	1.507.512	1.587.512

Financial statements for the period 1 August 2019 - 31 July 2020

5.4. Notes to the financial statements

1. Accounting policies

Cisco Technology Denmark ApS' annual report for 2019/20 has been prepared in accordance with the provisions, which apply to reporting class B entities, as well as selected rules applying to reporting class C, under the Danish Financial Statements Act.

The accounting policies applied are consistent with last year.

Basis of recognition and measurement

Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized.

Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that further economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

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 recognized in the income statement as financial income or financial expenses.

Receivables, 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 recognized in the most recent financial statements is recognized in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are measured at the transactions date rates.

Income statement

Revenue

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 recognized in revenue.

Cost of sales

Cost of sales represents the direct and indirect expenses attributable to turnover, primarily relating to the direct cost of inventory and services rendered.

Service costs include costs directly incurred in delivering technical phone support, spare parts, software maintenance, consulting, managed services, planning and design, training, and implementation services to customers. Cost of sales are recorded in the same period that the related revenue is recognized.

Financial statements for the period 1 August 2019 - 31 July 2020

Notes to the financial statements

Accounting policies (continued)

Gross margin

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

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.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are as follows:

1-5 years

Financial income and expenses

Financial income and expenses are recognized 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 years deferred tax adjustments. The portion of the tax for the year that relates to the profit/ loss for the year is recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

The Company and its Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income.

The management company based on the rates applicable to interest allowances reimburses jointly taxed entities entitled to a tax refund, 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.

Financial statements for the period 1 August 2019 - 31 July 2020

Notes to the financial statements

Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses from the disposal of property, plant and equipment are recognized in the income statement as other operating income or other operating expenses.

Receivables

Receivables are measured at amortized cost.

An impairment loss is recognized 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 recognized on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realizable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Income taxes

Current tax payables and receivables are recognized 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 recognized on temporary differences relating to goodwill which is not deductible for tax purposes and on off ice 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 crystallize as current tax. Deferred tax assets are recognized at the expected value of their utilization; as a set-off against tax, either 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 recognized in the income statement.

Other payables

Other payables are measured at net realizable value.

Financial statements for the period 1 August 2019 - 31 July 2020**Notes to the financial statements****Accounting policies (continued)***Deferred income*

Deferred income recognized as a liability comprises payments received concerning income in subsequent financial reporting years.

DKK	2020/19	2018/19
2 Staff costs		
Wages/salaries	0	0
Pensions	0	0
Other social security costs		
Total	0	0
The average number of employees in the year ended July 31, 2020 as well as of July 31, 2019 was 0.		
3 Financial income		
Exchange adjustments	37.610	0
Total	37.610	0
4 Financial expenses		
Other interest expenses	28.911	27.009
Exchange adjustments	0	51.236
Interest surcharges and tax recognized under net financials	0	0
Total	28.911	78.245
5 Tax for the year		
Estimated tax charge for the year	63.601	57.181
Deferred tax adjustments in the year	-13.831	2.408
Tax adjustments, prior years		
Total	49.770	59.589
6 Property, plant and equipment		Other fixtures and fittings; tools and equipment
Cost at 1 August 2019		9.946.629
Additions in the year		0
Disposals in the year		-563.986
Cost at 31 July 2020		9.382.643
Impairment losses and depreciation at 1 August 2020		8.573.806
Amortization/ depreciation in the year		1.051.642
Reversed depreciation		-563.986
Impairment losses and depreciation at 31 July 2020		9.061.462
Carrying amount at 31 July 2020		321.181

7 Share capital

Analysis of the share capital:

DKK	2019/20	2018/19
80,000 shares of DKK1,00 nominal value each	<u>80.000</u>	<u>80.000</u>
Total	<u><u>80.000</u></u>	<u><u>80.000</u></u>

Analysis of changes in the share capital over the past 5 years:

DKK	2019/20	2018/19	2017/18	2016/17	2015/16
80,000 shares of DKK1,00 nominal value each	<u>80.000</u>	<u>80.000</u>	<u>80.000</u>	<u>80.000</u>	<u>80.000</u>
Total	<u><u>80.000</u></u>	<u><u>80.000</u></u>	<u><u>80.000</u></u>	<u><u>80.000</u></u>	<u><u>80.000</u></u>

8 Contractual obligations and contingencies, etc.

Other financial obligations:

DKK	2019/20	2018/19
Rent and lease liabilities	<u>10.532</u>	<u>10.532</u>

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income for the income year 2020.

9 Collaterals

The Company has not recognized any security or other collateral in assets at 31 July 2020.

10 Related parties

Information about consolidated financial statements:

<u>Parent company</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Cisco Systems Inc.	170 West Tasman Drive San Jose CA 95134 United States	www.cisco.com