

Cisco Technology Denmark ApS

Lautrupsgade 7, 2100 Copenhagen

CVR no. 35 03 99 45

Annual report 2022/23

Approved at the annual general meeting of shareholders on 17 January 2024.

Chairman:

Jurriaan De Rouw

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Jurriaan De Rouw

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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 reviewed and approved the annual report of Cisco Technology Denmark ApS for the financial year 1 August 2022 - 31 July 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

The preconditions for not auditing the financial statements for the financial year 2022-2023 is complied with and the annual report for the financial year 2022-2023 should not be audited.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 July 2023 and of the results of the Company's operations for the financial year 1 August 2022 - 31 July 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the result of the company's operations and financial position.

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

Copenhagen, 15 January 2024

Executive Board:

Cynthia Koetsier-Beerten

Cynthia Koetsier-Beerten

Board of Directors:

Jonas Edebäck

Jonas Allan Edebäck

Sajaid Rashid

Sajaid Rashid

2. 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 2022 - 31 July 2023
Website	www.cisco.dk
Board of Directors	Jonas Allan Edebäck Sajaid Rashid
Management	Cynthia Koetsier-Beerten
Bankers	SEB Merchant Banking

3. Management's review

3.1. 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.

4. Financial statements for the period 1 August 2022 - 31 July 2023

4.1. Income statement

Note	DKK	2022/23	2021/22
	Gross margin	2.596.433	854.205
2	Staff costs	0	0
	Amortization/depreciation and impairment of intangible assets and property, plant and equipment	-2.019.327	-503.060
	Profit before net financials	577.106	351.145
3	Financial income	7.118	0
4	Financial expenses	-460.100	-207.388
	Profit before tax	124.124	143.757
5	Tax for the year	-27.394	-32.116
	Profit for the year	96.730	111.641
Proposed profit appropriation			
	Retained earnings	96.730	111.641

Financial statements for the period 1 August 2022 - 31 July 2023

4.2. Balance sheet

Note	DKK	2022/23	2021/22
	ASSETS		
	<i>Non-current assets</i>		
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	11.986.854	1,117.383
	Total non-current assets	11.986.854	1.117.383
	<i>Current assets</i>		
	Receivables	0	993.177
	Receivables to group entities	0	0
	Deferred tax assets	0	512.378
	Income tax receivable	519.396	0
	Other receivables	0	0
	Total receivables	519.396	1.505.555
	Cash at bank and in hand	7.926.174	5.139.368
	Total current assets	8.445.570	6.644.923
	TOTAL ASSETS	20.432.424	7.762.306
	EQUITY AND LIABILITIES		
	<i>Equity</i>		
7	Share capital	80.000	80.000
	Retained earnings	1.843.067	1.746.337
	Total equity	1.923.067	1.826.337
	<i>Current liabilities other than provisions</i>		
	Deferred tax	34.412	0
	Trade payables	1.542	89
	Payables to group entities	16.230.993	4.557.749
	Income taxes payable	0	0
	Other payables	837.540	312.212
	Deferred Income	1.404.870	1.065.919
	Total current liabilities other than provisions	18.509.357	5.935.969
	TOTAL EQUITY AND LIABILITIES	20.432.424	7.762.306
1	Accounting policies		
8	Contractual obligations and contingencies		
9	Collateral		
10	Related parties		

Financial statements for the period 1 August 2022 - 31 July 2023

4.3. 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
Profit/ loss for the year	0	127.184	127.184
Equity at 31 July 2021	80.000	1.634.696	1.714.696
Profit/ loss for the year	0	111.641	111.641
Equity at 31 July 2022	80.000	1.746.337	1.826.337
Profit/ loss for the year	0	96.730	96.730
Equity at 31 July 2023	80.000	1.843.067	1.923.067

Financial statements for the period 1 August 2022 - 31 July 2023

4.4. Notes to the financial statements

1. Accounting policies

Cisco Technology Denmark ApS' annual report for 2022/23 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 2022 - 31 July 2023

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 2022 - 31 July 2023

Notes to the financial statements

1 . 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 2022 - 31 July 2023

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	2022/23	2021/22
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, 2023 as well as of July 31, 2022 was 0.		
3 Financial income		
Other interest income	7.118	
Exchange adjustments	0	0
Total	7.118	0
4 Financial expenses		
Other interest expenses	260.280	46.644
Exchange adjustments	199.820	160.744
Interest surcharges and tax recognized under net financials	0	0
Total	460.100	207.388
5 Tax for the year		
Estimated tax charge for the year	0	0
Deferred tax adjustments in the year	546.790	32.116
Tax adjustments, prior years	-519.396	0
Total	27.394	32.116
6 Property, plant and equipment		Other fixtures and fittings; tools and equipment
Cost at 1 August 2022		4.863.681
Additions in the year		12.888.798
Disposals in the year		-268.233
Cost at 31 July 2023		17.484.246
Impairment losses and depreciation at 1 August 2022		3.746.298
Amortization/depreciation in the year		2.019.327
Reversed depreciation		-268.233
Impairment losses and depreciation at 31 July 2023		5.497.392
Carrying amount at 31 July 2023		11.986.854

7 Share capital

Analysis of the share capital:

DKK	2022/23	2021/22
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	2022/23	2021/22	2020/21	2019/20	2018/19
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	2022/23	2021/22
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 2023.

9 Collaterals

The Company has not recognized any security or other collateral in assets at 31 July 2023.

10 Related parties

Information about consolidated financial statements:

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