

Akamai Technologies Denmark ApS

c/o Kromann Reumert
Sundkrogsgade 5

2100 København Ø

(CVR-nr. 36 02 66 50)

(Central Business Registration No. 36 02 66 50)

Annual Report 2020

Approved by the shareholder at the annual general meeting of the company
held on 14 May 2021

*Henrik Møgelmoose
Chairman of the meeting*

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Please note that Danish decimal and digit grouping symbols have been used in the financial statements.

Company details

Company	<p>Akamai Technologies Denmark ApS c/o Kromann Reumert Sundkrogsgade 5 2100 København Ø</p> <p><i>Central Business Registration No.:</i> 36 02 66 50</p> <p><i>Financial year:</i> 1 January 2020 to 31 December 2020</p>
Activity	<p>The principal activities of the Company relate to marketing and resale of services for accelerating and improving the delivery of content and applications over the Internet as well as consulting services related to IT engineering.</p>
Executive Board	<p>Gerald Deck Joanna Maria Bemben</p>
Auditor	<p>PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK 2900 Hellerup</p>

Statement by the Board of Directors

The Board of Executives have today presented the annual report of 2020 for Akamai Technologies Denmark ApS

The annual report has been 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 2020, and of the results of its operations for the financial year 1 January 2020 to 31 December 2020 in accordance with the Danish Financial Statements Act.

We recommend the annual report for approval on the Annual General Meeting.

Copenhagen, 14 May 2021

Board of Executives

Gerald Deck

Jonna Maria Bemben

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 scepticism 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.

Hellerup, Copenhagen, 14 May 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Boje Andreassen
statsautoriseret revisor
mne2338

Lone Vindbjerg Larsen
statsautoriseret revisor
mne34548

Management's Review

Principal activities

The company's principal activity is the delivery of internet content and applications to customers in a more reliable and cost-effective manner.

Business review

The company had a solid performance in 2020 generating its net profit amounted to 1.9M DKK. External revenue earned outside Akamai group increased by 2% to 77.5M DKK in 2020. The company is in a strong financial position as at 31 December 2020, with total current assets of 37.207.432 DKK (2019: 34.336.247 DKK).

The company do not expect any additional risks since the market for solutions offered by Akamai continues to grow globally and locally. This is mainly due to the ever-increasing importance of the Internet for businesses and individuals, the growing importance of multi-media content on corporate websites, increasing "cloud computing" and the growing number of broadband Internet connections.

Extraordinary events

The existence of novel coronavirus (COVID-19) was confirmed in early 2020 and has spread across China and beyond, causing disruptions to businesses and economic activity. The Company considers this outbreak to be a non-adjusting event. The Management has assessed the impact of the COVID-19 on the Company operations and balances as of 31.12.20 and did not identified any significant impact or impairment triggers. As of the date of this Financial Statement the Company does not expect that this situation would impact its going concern in 2021. The Management has also taken specific actions to limit, to the extent possible, the negative impact of the current situation on the Company.

Income statement 1 January to 31 December

Note		2020 kr.	2019 kr.
	Gross profit	18.566.895	19.754.522
2	Staff costs	(14.607.571)	(15.628.121)
	Depreciation, amortization and impairment	(1.106.224)	(581.225)
	Operating profit/loss	2.853.100	3.545.176
	Other financial income	37.867	89.113
	Other financial costs	(151.070)	(137.431)
	Profit/loss before tax	2.739.897	3.496.858
3	Tax on profit/loss for the year	(749.671)	(770.522)
	Profit/loss for the year	1.990.226	2.726.336
	Proposed distribution of profit/loss		
	Retained earnings	1.990.226	2.726.336
	Total amount applied	1.990.226	2.726.336

Balance Sheet as of 31 December Assets

Note	2020 kr.	2019 kr.
Leasehold improvements	1.627.362	2.096.725
Fixtures and fittings, other plant and equipment	1.203.450	1.760.419
Total tangible assets	2.830.812	3.857.144
Other receivables	297.149	520.029
Total financial assets	297.149	520.029
Total fixed assets	3.127.961	4.377.173
Trade receivables	8.080.217	8.061.803
Receivables from group companies	840.012	1.687.582
Deferred tax asset	0	4.190
Tax receivables	843.098	517.718
Prepayments and accrued income	3.283.719	2.349.427
Total receivables	13.047.046	12.620.720
Cash and cash equivalents	24.160.386	21.715.527
Total currents assets	37.207.432	34.336.247
Total assets	40.335.393	38.713.420

Balance sheet as of 31 December

Equity and Liabilities

Note	2020	2019
	kr.	kr.
Share capital	50.000	50.000
Retained earnings	15.554.845	13.564.619
Total equity	15.604.845	13.614.619
Other non-current liabilities	703.751	381.620
Total non-current liabilities	703.751	381.620
Trade payables	395.854	671.450
Debts to group companies	16.828.545	18.128.116
Deferred tax liability	52.423	0
Other payables	5.451.200	5.032.468
Deferred income	1.298.775	885.147
Total current liabilities	24.026.797	24.717.181
Total liabilities	24.730.548	25.098.801
Total equity and liabilities	40.335.393	38.713.420
4 Contingencies, pledges and collateral		
5 Related parties		
6 Events after the Balance Sheet date		

Statement of changes in Equity

Share capital 1 January 2020	50.000	50.000
	50.000	50.000
Retained earnings 1 January 2020	13.564.619	10.838.283
Profit/loss for the year	1.990.226	2.726.336
Total retained earnings	15.554.845	13.564.619
Equity, end-of-period	15.554.845	13.614.619

Notes

1 Accounting Policies

General

The Annual Report of Akamai Technologies Denmark ApS for 2020 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 remain unchanged from last year.
The financial statements for 2020 are presented in DKK.

The accounting policies are:

RECOGNITION AND MEASUREMENT

Income is recognized in the income statement as earned. In addition, value adjustments of financial assets and liabilities which are measured at fair value or amortized cost are recognized in the income statement.

Furthermore all costs incurred to achieve the year's revenues are recognized in the income statement including depreciation, amortization, impairment losses and provisions as well as reversals made to reflect changed accounting estimates concerning amounts previously recognized in the income statement.

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

Liabilities are recognized in the balance sheet when it is probable that future economic resources will flow from the company and the value of the liability can be reliably measured.

On initial recognition assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortized cost, implying the recognition of a constant effective rate of interest to maturity.

Amortized cost is stated as original cost less any principal payments and plus or minus the accumulated amortization of any difference between cost and the nominal amount.

Recognition and measurement take into consideration gains, losses and risks that arise before the time of presentation of the annual report and that confirm or invalidate matters existing at the balance sheet date.

INCOME STATEMENT

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue is recognized in the income statement if the contract has been concluded before the end of the year and only where the income can be determined reliably and is expected to be received. Revenue is recognized net of discounts related to sales.

Financial income and costs

Financial income and costs are recognized in the income statement by the amounts attributable to this financial year. Financial income and costs comprise interest income and expenses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit/loss for the year and recognized directly in equity by the portion attributable to entries directly in equity.

BALANCE SHEET

Tangible assets

Depreciation is provided on a straight-line basis over the expected useful lives of the assets as follows:

1-2 years - Furnishing of leased premises.

2-5 years - Fixtures and fittings other plant and equipment.

Gains and losses on the disposal of tangible assets are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognized in the income statement under other operational income

or other operating costs.

Impairment of fixed assets

The carrying amount of tangible assets is analysed annually for indications of impairment in addition to what is reflected by normal amortization and depreciation charges. If there are indications of any impairment, an impairment test is made on each asset or group of assets, respectively. Assets are written down to the lower between the recoverable amount and the carrying amount.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. Write-down is made for bad debt losses.

Prepayments and accrued income

Prepayments recognized under assets include costs concerning subsequent financial years whose invoices were received or payments were made in this financial year. Accrued income includes revenue for the year which will be invoiced in subsequent financial years.

Tax payable and deferred tax

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income for the year. Adjusted for tax on prior years' taxable income and for tax paid under the on account tax scheme.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. For the current year a tax rate of 22% is applied.

Deferred tax assets. Include the tax value of tax losses carried forward and are measured at the expected value of their utilization; either as a set-off tax against future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net tax assets are measured at net realizable value.

Liabilities

Trade payables and other payables are measured at nominal values.

Prepayments and deferred income

Prepayments and deferred income recognized under liabilities include deferred income concerning subsequent financial years.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement as financial income or financial costs. If currency positions are considered to be cash flow hedges. The value adjustments are recognized directly in equity.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are converted using the exchange rate at the balance sheet date. Any difference between the exchange rate on the balance sheet date and the rate at the occurrence of the receivable or the debt, is recognized in the Income statement as financial income or expense.

	<u>2020</u> kr.	<u>2019</u> kr.
2 Staff costs		
Total amount for wages and salaries etc. is distributed as follows:		
Salaries and wages	13.701.340	14.481.861
Pensions	905.062	888.426
Other expenses relating to social security	1.169	257.834
	<u>14.607.571</u>	<u>15.628.121</u>
Average number of employees	12	13

Management and other employees are included in Akamai Technologies Inc's share-based compensation program. Warrants are granted with a vesting period of 3-4 years. There are performance conditions in connection with the program. Payment to the parent company regarding share delivered to employees according to the program are recognized as expense in the income statement.

3 Tax on profit/loss for the year		
Current tax for the year	618.726	689.302
Adjustment of deferred tax for the year	56.613	69.736
Tax adjustment regarding previous year	74.332	11.484
	<u>749.671</u>	<u>770.522</u>

	<u>2020</u> kr.	<u>2019</u> kr.
4 Contingencies, pledges and collateral		
Rental obligation		
The company has signed lease with a rent obligation	<u>1.572.748</u>	<u>3.457.194</u>

Notes

Akamai Technologies Denmark ApS is jointly and severally liable for the combined income tax on the joint taxation income, as well as dividend tax withheld and interest, for all companies in the tax pool until such taxes have been paid to the Danish tax authorities. Any subsequent adjustments of income tax and withholding tax may result in the company having a greater liability, which will appear in the annual report of the company.

The total amount of payable income tax will appear from the annual report of Akamai Technologies Denmark ApS that is the management company.

5 Related parties

Controlling interest

Basis

Akamai Technologies Netherlands B.V.

Controlling shareholder

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Akamai Technologies Netherlands B.V. Coengebouw Kabelweg 37, 1014 BA, Amsterdam. Netherlands

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Ultimate Parent Company:

Name

Akamai Technologies Inc.

Place of registered office

*145 Broadway
Cambridge, MA 02142
USA*

6 Events after the Balance Sheet date

As at the date of these financial statements, the Company is not aware of any material impact on the financial statements arising from the COVID-19 outbreak due to the nature of the Company's operations and based on the financial results presented in this financial statement for the year in which $\frac{3}{4}$ of the fiscal year falls into the COVID-19 pandemic.

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Joanna Bemben

Adm. direktør

On behalf of: Akamai Technologies Denmark ApS

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Jan Boje Andreassen

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

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On behalf of: Akamai Technologies Denmark ApS

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Gerald Deck

Direktør

On behalf of: Akamai Technologies Denmark ApS

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Lone Vindbjerg Larsen

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

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Henrik Møgelmoose

Dirigent

On behalf of: Akamai Technologies Denmark ApS

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