

# EXCLUSIVE NETWORKS DENMARK A/S

c/o Ordnung,  
Tuborgvej 5,  
2900 Hellerup

Annual report for 2018

Adopted at the annual general meeting on  
25 March 2019

DocuSigned by:



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Olivier Breittmayer  
chairman

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## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of Exclusive Networks Denmark A/S for the financial year 1 January - 31 December 2018.

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

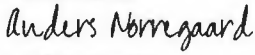
In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

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


Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 25 March 2019

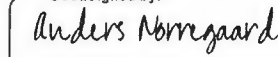
### Executive board

DocuSigned by:  
  
Anders Nørregaard  
CEO

### Supervisory board

DocuSigned by:  
  
Mr. Oliver Brettnayer  
chairman

DocuSigned by:  
  
Mr. Philippe Sanchez

DocuSigned by:  
  
Mr. Anders Nørregaard

## INDEPENDENT AUDITOR'S REPORT

*To the shareholders of Exclusive Networks Denmark A/S*

### **Opinion**

We have audited the financial statements of Exclusive Networks Denmark A/S for the financial year 1 January - 31 December 2018, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under 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 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

### **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.

### **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 the 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:

## INDEPENDENT AUDITOR'S REPORT

- 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.

## INDEPENDENT AUDITOR'S REPORT

### 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.

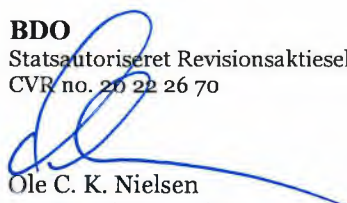
Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 25 March 2019

**BDO**

Statsautoriseret Revisionsaktieselskab  
CVR no. 26 22 26 70



Ole C. K. Nielsen  
statsautoriseret revisor  
(State-authorized public accountant)  
MNE no. mne23299

## COMPANY DETAILS

The company	Exclusive Networks Denmark A/S c/o Ordnung Tuborgvej 5 2900 Hellerup
	Website: <a href="http://www.exclusive-networks.dk/">http://www.exclusive-networks.dk/</a>
	CVR no.: 36 47 92 13
	Reporting period: 1 January - 31 December 2018
	Incorporated: 5. January 2015
	Domicile: Copenhagen
Supervisory board	Olivier Breittmayer, chairman Philippe Sanchez Anders Nørregaard
Executive board	Anders Nørregaard, CEO
Auditors	BDO Statsautoriseret Revisionsaktieselskab Havneholmen 29 2100 København V

## **MANAGEMENT'S REVIEW**

### **Business activities**

The company's objective is to operate the sale of IT equipment, security related products services thereto and to carry on other related activities.

### **Business review**

The company's income statement for the year ended 31 December shows a profit of DKK 587.151, and the balance sheet at 31 December 2018 shows equity of DKK 612.476.

### **Significant events occurring after end of reporting period**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## ACCOUNTING POLICIES

The annual report of Exclusive Networks Denmark A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provisions as regards larger entities.

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

The annual report for 2018 is presented in DKK

### **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 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 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**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

#### **Revenue**

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

## ACCOUNTING POLICIES

### **Other external expenses**

Other external expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, foreign currency transactions, and allowances under the advance-payment-of-tax scheme, etc.

### **Tax on profit/loss for the year**

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

### **Balance sheet**

#### **Tangible assets**

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3	years
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Assets costing less than DKK 13.500 are expensed in the year of acquisition.

#### **Stocks**

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

## ACCOUNTING POLICIES

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

### **Receivables**

Receivables are measured at amortised cost.

### **Income tax and deferred 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.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

### **Liabilities**

Financial liabilities also include the capitalised residual finance lease commitment.

### **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. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2018 DKK	2017 DKK
<b>Gross profit</b>		<b>7.081.305</b>	<b>5.933.199</b>
Staff costs	1	-5.866.456	-5.635.916
Depreciation		-31.252	-49.150
<b>Profit/loss before net financials</b>		<b>1.183.597</b>	<b>248.133</b>
Financial income		0	418.384
Financial costs	2	-430.934	-41.522
<b>Profit/loss before tax</b>		<b>752.663</b>	<b>624.995</b>
Tax on profit/loss for the year	3	-165.512	68.856
<b>Profit/loss for the year</b>		<b>587.151</b>	<b>693.851</b>
 <b>Recommended appropriation of profit/loss</b>			
Retained earnings		587.151	693.851
		<b>587.151</b>	<b>693.851</b>

**BALANCE SHEET 31 DECEMBER**

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
<b>ASSETS</b>			
Other fixtures and fittings, tools and equipment		43.987	57.514
<b>Tangible assets</b>	4	<u>43.987</u>	<u>57.514</u>
Deposits	5	280.500	63.000
<b>Fixed asset investments</b>		<u>280.500</u>	<u>63.000</u>
<b>Total non-current assets</b>		<u>324.487</u>	<u>120.514</u>
Commodities		837.476	459.010
<b>Stocks</b>		<u>837.476</u>	<u>459.010</u>
Trade receivables		34.107.568	39.232.857
Deferred tax asset		0	101.044
Prepayments		64.190	5.667
<b>Receivables</b>		<u>34.171.758</u>	<u>39.339.568</u>
<b>Cash at bank and in hand</b>		<u>7.424.440</u>	<u>12.433.159</u>
<b>Total current assets</b>		<u>42.433.674</u>	<u>52.231.737</u>
<b>Total assets</b>		<u><u>42.758.161</u></u>	<u><u>52.352.251</u></u>

**BALANCE SHEET 31 DECEMBER**

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
<b>EQUITY AND LIABILITIES</b>			
Share capital		500.000	500.000
Retained earnings		144.526	-442.625
Other reserves		-32.050	-73.613
<b>Equity</b>	<b>6</b>	<b><u>612.476</u></b>	<b><u>-16.238</u></b>
Provision for deferred tax		488	0
<b>Total provisions</b>		<b><u>488</u></b>	<b><u>0</u></b>
Trade payables		29.823.086	36.403.263
Payables to group companies		5.207.581	2.182.464
Corporation tax		75.702	0
Other payables		7.038.828	13.782.762
<b>Total current liabilities</b>		<b><u>42.145.197</u></b>	<b><u>52.368.489</u></b>
<b>Total liabilities</b>		<b><u>42.145.197</u></b>	<b><u>52.368.489</u></b>
<b>Total equity and liabilities</b>		<b><u>42.758.161</u></b>	<b><u>52.352.251</u></b>
Rent and lease liabilities	7		

**NOTES**

	<u>2018</u>	<u>2017</u>
	DKK	DKK
<b>1 STAFF COSTS</b>		
Wages and salaries	5.086.445	4.675.170
Pensions	607.272	462.643
Other social security costs	45.996	39.939
Other staff costs	126.743	458.164
	<u>5.866.456</u>	<u>5.635.916</u>
Average number of employees	<u>6</u>	<u>6</u>
<b>2 FINANCIAL COSTS</b>		
Financial expenses, group entities	111.641	40.422
Other financial costs	103.145	1.100
Exchange loss	216.148	0
	<u>430.934</u>	<u>41.522</u>
<b>3 TAX ON PROFIT/LOSS FOR THE YEAR</b>		
Current tax for the year	75.702	0
Deferred tax for the year	89.810	-68.856
	<u>165.512</u>	<u>-68.856</u>

## NOTES

### 4 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment
Cost at 1 January 2018	161.392
Additions for the year	17.725
Cost at 31 December 2018	179.117
Impairment losses and depreciation at 1 January 2018	103.878
Depreciation for the year	31.252
Impairment losses and depreciation at 31 December 2018	135.130
Carrying amount at 31 December 2018	43.987

### 5 FIXED ASSET INVESTMENTS

	Deposits
Cost at 1 January 2018	63.000
Additions for the year	217.500
Cost at 31 December 2018	280.500
Carrying amount at 31 December 2018	280.500



## NOTES

### 6 EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Other reserves</u>	<u>Total</u>
Equity at 1 January 2018	500.000	-442.625	-73.613	-16.238
Other equity movements	0	0	32.523	32.523
Net profit/loss for the year	0	587.151	0	587.151
Changes in equity of tax	0	0	9.040	9.040
Equity at 31 December 2018	<u>500.000</u>	<u>144.526</u>	<u>-32.050</u>	<u>612.476</u>

The share capital consists of 5.000 shares of a nominal value of DKK 500.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

### 7 RENT AND LEASE LIABILITIES

Operating lease liabilities.

Total future lease payments:

Within 1 year

Between 1 and 5 years

<u>2018</u>	<u>2017</u>
DKK	DKK
309.400	63.000
<u>515.720</u>	<u>0</u>
<u>825.120</u>	<u>63.000</u>