

Dapsi International ApS

Prinsessens Kvarter 10, DK-7000 Fredericia

Annual Report for 1 January - 31 December 2019

CVR No 37 24 64 33

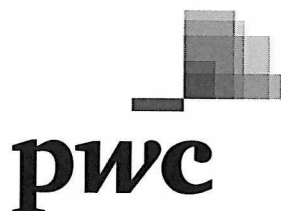
The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
/ 2020
06 August 2020

Chairman of the General
Meeting

DocuSigned by:

Niels Bang

84EB0A7D38BC46A...



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December 2019	7
Balance Sheet 31 December 2019	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Dapsi International ApS for the financial year 1 January - 31 December 2019.

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 financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Fredericia, 30 June 2020

Executive Board

Nancy Mable Walker Buurma

Valentine Anthony Bohan

Nancy M. Walker Buurma

Valentine A. Bohan

Independent Auditor's Report

To the Shareholder of Dapsi International ApS

Opinion

We have audited the Financial Statements of Dapsi International ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 eco-

Independent Auditor's Report

conomic 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 judgement 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 note 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.

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 Fi-

Independent Auditor's Report

nancial 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 Financials 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.

Herning, *30/6-2020*

Ernst & Young

Godkendt Revisionspartnerselskab

CVR No 30 70 02 28



Karsten Mehlsen

State Authorised Public Accountant

mne18473

Company Information

The Company

Dapsi International ApS
Prinsessens Kvarter 10
DK-7000 Fredericia

CVR No: 37 24 64 33
Financial period: 1 January - 31 December
Municipality of reg. office: Fredericia

Executive Board

Nancy Mable Walker Buurma
Valentine Anthony Bohan

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab
Industrivej Nord 9
DK-7400 Herning

Management's Review

Key activities

Dapsi International ApS is being set up to provide hosting services to other group companies.

Development in the year

The income statement of the Company for 2019 shows a profit of DKK 10,928,557, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 116,580,303.

Subsequent events

The global outbreak of the novel coronavirus (COVID-19) subsequent to the year end is leading to a global market disruption. The future impact of the current economic situation is uncertain and difficult to predict.

Income Statement 1 January - 31 December 2019

	<u>Note</u>	<u>2019</u> DKK	<u>2018</u> DKK
Other operating income		79.370.256	59.339.915
Other external expenses		<u>-28.564.895</u>	<u>-6.191.952</u>
Gross profit/loss		50.805.361	53.147.963
Staff expenses	1	-10.734.278	-1.550.679
Depreciation and impairment of property, plant and equipment	2	<u>-39.456.217</u>	<u>-51.212.103</u>
Profit/loss before financial income and expenses		614.866	385.181
Financial income	3	463.142	22.733
Financial expenses	4	<u>-1.916.130</u>	<u>-191.730</u>
Profit/loss before tax		-838.122	216.184
Tax on profit/loss for the year	5	<u>11.766.679</u>	<u>-11.249.085</u>
Net profit/loss for the year		<u>10.928.557</u>	<u>-11.032.901</u>

Distribution of profit

Proposed distribution of profit

Retained earnings	<u>10.928.557</u>	<u>-11.032.901</u>
	<u>10.928.557</u>	<u>-11.032.901</u>

Balance Sheet 31 December 2019

Assets

	Note	2019 DKK	2018 DKK
Land and buildings		145.390.402	154.131.255
Plant and machinery		13.901.233	2.220.188
Other fixtures and fittings, tools and equipment		128.250	0
Property, plant and equipment in progress		2.465.073.775	214.253.149
Property, plant and equipment		2.624.493.660	370.604.592
Fixed assets		2.624.493.660	370.604.592
Other receivables		225.416.832	27.440.801
Deferred tax asset		19.498.206	0
Corporation tax		499.148	0
Prepayments		245.345	0
Receivables		245.659.531	27.440.801
Cash at bank and in hand		0	31.926.405
Currents assets		245.659.531	59.367.206
Assets		2.870.153.191	429.971.798

Balance Sheet 31 December 2019

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		150.000	150.000
Share premium account		116.900.000	116.900.000
Retained earnings		-469.697	-11.398.254
Equity	6	116.580.303	105.651.746
Lease obligations		371.544	396.245
Other payables		503.160	0
Long-term debt	7	874.704	396.245
Lease obligations	7	22.116	22.116
Trade payables		808.777.225	146.896.548
Payables to group enterprises		1.913.708.169	164.324.739
Corporation tax payable to group enterprises		7.731.527	11.249.085
Other payables	7	3.320.863	1.118.819
Deferred income		19.138.284	312.500
Short-term debt		2.752.698.184	323.923.807
Debt		2.753.572.888	324.320.052
Liabilities and equity		2.870.153.191	429.971.798
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		
Accounting Policies	10		

Statement of Changes in Equity

	Share capital DKK	Share premium account DKK	Retained earnings DKK	Total DKK
2019				
Equity at 1 January	150.000	116.900.000	-11.398.254	105.651.746
Net profit/loss for the year	0	0	10.928.557	10.928.557
Equity at 31 December	150.000	116.900.000	-469.697	116.580.303
2018				
Equity 1. januar	150.000	116.900.000	-365.353	116.684.647
Net profit/loss for the year	0	0	-11.032.901	-11.032.901
Equity at 31 December	150.000	116.900.000	-11.398.254	105.651.746

Notes to the Financial Statements

	<u>2019</u>	<u>2018</u>
	DKK	DKK
1 Staff expenses		
Wages and salaries	8.954.173	1.407.522
Pensions	639.843	131.274
Other staff expenses	1.140.262	11.883
	<u>10.734.278</u>	<u>1.550.679</u>
Average number of employees	<u>8</u>	<u>1</u>
2 Depreciation and impairment of property, plant and equipment		
Depreciation of property, plant and equipment	9.098.169	10.578.755
Impairment of property, plant and equipment	30.358.048	40.633.348
	<u>39.456.217</u>	<u>51.212.103</u>
3 Financial income		
Exchange gains	463.142	22.733
	<u>463.142</u>	<u>22.733</u>
4 Financial expenses		
Interest paid to group enterprises	1.275.159	0
Other financial expenses	177.830	168.997
Exchange adjustments, expenses	463.141	22.733
	<u>1.916.130</u>	<u>191.730</u>
5 Tax on profit/loss for the year		
Current tax for the year	7.731.527	11.249.085
Deferred tax for the year	-19.498.206	0
	<u>-11.766.679</u>	<u>11.249.085</u>

Notes to the Financial Statements

6 Equity

The share capital consists of 150,000 shares of a nominal value of DKK 1. No shares carry any special rights.

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2019 DKK	2018 DKK
Lease obligations		
After 5 years	0	309.624
Between 1 and 5 years	371.544	86.621
Long-term part	<u>371.544</u>	<u>396.245</u>
Within 1 year	22.116	22.116
	<u>393.660</u>	<u>418.361</u>
Other payables		
Between 1 and 5 years	503.160	0
Long-term part	<u>503.160</u>	<u>0</u>
Other short-term payables	3.320.863	1.118.819
	<u>3.824.023</u>	<u>1.118.819</u>

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company is jointly and severally liable for tax on the jointly taxed incomes etc. of the company and other Danish group companies. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income.

Notes to the Financial Statements

9 Related parties

	<u>Basis</u>
Controlling interest	
Moonville Limited, Ireland	Parent Company
Alphabet Inc., USA	Ultimate Parent Company

Ownership

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

Moonville Limited
70 Sir Rogerson's Quay
Dublin 2
Ireland

Consolidated Financial Statements

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

<u>Name</u>	<u>Place of registered office</u>
Alphabet Inc.	USA

The Group Annual Report of Alphabet Inc. may be obtained at the following address:

1600 Amphitheatre Parkway, Mountain View,
California 94043,
USA
Investor.google.com

Notes to the Financial Statements

10 Accounting Policies

The Annual Report of Dapsi International ApS for 2019 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 2019 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised 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 recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

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

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

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

Notes to the Financial Statements

10 Accounting Policies (continued)

Income Statement

Other external expenses

Other external expenses comprise administrative expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of 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.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable income.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the

Notes to the Financial Statements

10 Accounting Policies (continued)

expected useful lives of the assets, which are:

Other buildings	2 years
Plant and machinery	16 months - 20 years
Other fixtures and fittings, tools and equipment	16 months - 5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of fixed assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

10 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.