

# DigiPlex Copenhagen 1 ApS

Holmbladsgade 142  
2300 Copenhagen  
Denmark

CVR no. 39 38 70 77

**Annual report for the period 5 March – 31 December 2018**

The annual report was presented and approved at the  
Company's annual general meeting on

11 June 2019

Chairman



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## 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 DigiPlex Copenhagen 1 ApS ("the Company") for the financial period 5 March – 31 December 2018.

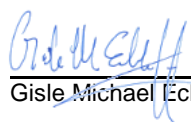
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2018 and of the results of the Company's operations for the financial period 5 March – 31 December 2018.


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


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

11 June 2019  
Executive Board:

  
Gisle Michael Eckhoff

Board of Directors:

  
James Byrne Murphy  
Chairman

  
Susan Liow

  
Gisle Michael Eckhoff

## Independent auditor's report

### To the shareholders of DigiPlex Copenhagen 1 ApS

#### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial period 5 March - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of DigiPlex Copenhagen 1 ApS for the financial period 5 March - 31 December 2018, 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.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the 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 over-ride 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

## Independent auditor's report

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.

## Statement on the Management's review

Management is responsible for the Management's review section.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed; we conclude that the 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 the Management's review.

Hellerup, 11 June 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31



Poul P. Petersen  
State Authorised  
Public Accountant  
mne34503

**DigiPlex Copenhagen 1 ApS**  
Annual report 2018  
CVR no. 39 38 70 77

## **Management's review**

### **Company details**

DigiPlex Copenhagen 1 ApS  
Holmbladsgade 142  
2300 Copenhagen  
Denmark

CVR no.: 39 38 70 77  
Financial period: 5 March – 31 December

### **Board of Directors**

James Byrne Murphy, Chairman  
Susan Liow  
Gisle Eckhoff

### **Executive Board**

Gisle Eckhoff

### **Auditor**

PricewaterhouseCoopers  
Strandvejen 44  
2900 Hellerup  
Denmark

## **Management's review**

### **Operating review**

#### **Principal activities**

DigiPlex Copenhagen 1 ApS provides highly secure, high-powered, energy-efficient and carrier-neutral data centre space at Holmbladsgade 142 in Copenhagen, Denmark for its customer's information and communication technology equipment.

#### **Events after the balance sheet date**

No significant events have occurred after the balance date that could materially affect the presentation of these financial statements.

## Financial statements 5 March – 31 December

### Income statement

Amounts in DKK	Note	5 March - 31 December 2018
<b>Gross profit</b>		42,384
Staff costs	2	-423,969
Depreciation, amortisation and impairment		-1,062,150
<b>Operating profit/loss</b>		-1,443,735
Financial income		12,480
Financial expenses	3	-135,583
<b>Profit/loss before tax</b>		-1,566,838
Tax on profit/loss for the year		0
<b>Loss for the year</b>		-1,566,838
<b>Proposed profit appropriation/distribution of loss</b>		
Retained earnings		-1,566,838
		-1,566,838



## Financial statements 5 March – 31 December

### Balance sheet

Amounts in DKK	Note	31 December 2018
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Property, plant and equipment</b>		
Land and buildings		38,558,149
Fixtures and fittings, tools and equipment		<u>5,046,032</u>
		<u>43,604,181</u>
<b>Investments</b>		
Deposits		<u>9,534</u>
<b>Total fixed assets</b>		<u>43,613,715</u>
<b>Current assets</b>		
<b>Receivables</b>		
Trade receivables		2,662,329
Receivables from group entities		3,478
Other receivables		619,451
Prepayments		<u>135,176</u>
		<u>3,420,434</u>
<b>Cash at bank and in hand</b>		<u>3,740,884</u>
<b>Total current assets</b>		<u>7,161,318</u>
<b>TOTAL ASSETS</b>		<u><u>50,775,033</u></u>

## Financial statements 5 March – 31 December

### Balance sheet

Amounts in DKK	Note	31 December 2018
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Contributed capital	4	50,000
Retained earnings		<u>-1,566,838</u>
<b>Total equity</b>		<u>-1,516,838</u>
<b>Liabilities</b>		
<b>Non-current liabilities other than provisions</b>		
Payables to group entities		<u>48,600,000</u>
<b>Current liabilities other than provisions</b>		
Trade payables		2,028,169
Payables to group entities		406,234
Other payables		350,268
Deferred income		<u>907,200</u>
		3,691,871
<b>Total liabilities</b>		<u>52,291,871</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>50,775,033</u></u>
<b>Disclosure of material uncertainties regarding going concern</b>	5	
<b>Contractual obligations, contingencies, etc.</b>	6	
<b>Related party disclosures</b>	7	
<b>Disclosure of events after the balance sheet date</b>	8	

## **Financial statements 5 March – 31 December**

### **Notes**

#### **1 Accounting policies**

The annual report of DigiPlex Copenhagen 1 ApS for 2018 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

### **Income statement**

#### **Gross Profit**

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

#### **Revenue**

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Revenue from the sale of services, comprising IT Housing services, is recognised on a straight-line basis in the income statement as the services are provided.

#### **Other external costs**

Other external costs comprise distribution costs and costs related to sales, administration, operating leases, etc.

#### **Staff costs**

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs excluding reimbursements from public authorities.

#### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### **Corporation tax and deferred tax**

Current tax payable and receivable are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

## Financial statements 5 March – 31 December

### Notes

#### 1 Accounting policies (continued)

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to turn into current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Property, plant and equipment

Land and buildings and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	30 years
Fixtures and fittings, tools and equipment	10 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the

## Financial statements 5 March – 31 December

### Notes

#### 1 Accounting policies (continued)

end of the useful life.

#### Receivables

Receivables are measured at amortized cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash. Monetary items in foreign currencies are translated at the exchange rate on the balance sheet date.

#### Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

#### Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

#### Classification and valuation of balance sheet items

Assets intended for long-term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Receivables are classified as current assets if they are recoverable within one year after the transaction date. Similar criteria apply to liabilities.

Current assets are valued at the lower of purchase cost and net realisable value. Short term liabilities are reflected in the balance sheet at nominal value on the date of establishment.

## Financial statements 5 March – 31 December

### Notes

	5 March - 31 December 2018		
Amounts in DKK	<hr/>		
<b>2 Staff costs</b>			
Wages and salaries	378,491		
Pensions	33,333		
Other social security costs	947		
Other staff costs	11,198		
	<hr/>		
	423,969		
	<hr/> <hr/>		
Average number of full-time employees	1		
	<hr/> <hr/>		
<b>3 Financial expenses</b>			
Interest expense to group entities	122,667		
Exchange losses	12,916		
	<hr/>		
	135,583		
	<hr/> <hr/>		
<b>4 Equity</b>			
	Contributed capital	Retained earnings	Total
	<hr/>		
Transferred over the distribution of loss	0	-1,566,838	-1,566,838
Cash contribution for formation of entity	50,000	0	50,000
	<hr/>		
<b>Equity at 31 December 2018</b>	50,000	-1,566,838	-1,516,838
	<hr/> <hr/>		

### 5 Disclosure of material uncertainties regarding going concern

As a result of the company's start-up phase, the capital has been lost. Management have taken measures to re-establish the capital through future profits. The Company's owner has pledged to support the Company financially in the form of shareholder loans to the extent necessary to finance the operating activities and to settle the financial obligations.

### 6 Contractual obligations, contingencies, etc.

#### Contingent liabilities

The Company is not subject to mandatory Danish joint taxation with DigiPlex Copenhagen 2 ApS, a related party, because there is no controlling parent company having decisive influence on these Danish companies.

## Financial statements 5 March – 31 December

### Notes

#### 7 Related party disclosures

The Company's related parties, in addition to DigiPlex Copenhagen 2 ApS mentioned in Note 6, comprise the following:

<b>Name of company</b>	<b>Type of relationship</b>	<b>Type of services</b>
DigiPlex Fet AS	Related party	Support services
DigiPlex Rosenholm AS	Related party	Support services
DigiPlex London 1 Limited	Related party	Support services
DigiPlex Stockholm 1 AB	Related party	Support services
DigiPlex Norway AS	Related party	Support services
Kitebrook Partners LLC	Related party	Management services
DigiPlex Copenhagen 1 LLC	Owner	Financing

DigiPlex Copenhagen 1 ApS is wholly owned by DigiPlex Copenhagen 1 LLC, 1209 Orange Street, Delaware 19801, USA.

#### 8 Disclosure of events after the balance sheet date

No significant events have occurred after the balance sheet date that could materially affect the presentation of these financial statements.