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# ***AX V INV5 Holding I ApS***

Sankt Annæ Plads 10, DK-1250 København K

## **Annual Report for 1 January - 31 December 2019**

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CVR No 40 15 24 15

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
15/5 2020

Rene Kjeldgaard Andersen  
Chairman of the General  
Meeting



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## **Management's Statement**

The Executive Board and Board of Directors have today considered and adopted the Annual Report of AX V INV5 Holding I 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.

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

Copenhagen, 15 May 2020

### **Executive Board**

Mian Ehtisham Rabbani

Rene K. Andersen

### **Board of Directors**

John Schappert  
Chairman

Lars Cordt  
Deputy Chairman

Christian Bamberger Bro

Mark Carges

Jacob Wolff-Petersen

# Independent Auditor's Report

To the Shareholder of AX V INV5 Holding I ApS

## Opinion

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.

We have audited the Financial Statements of AX V INV5 Holding I 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").

## 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 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 judgement and maintain professional scepticism throughout the

# Independent Auditor's Report

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, 15 May 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild  
statsautoriseret revisor  
mne33262

Claus Damhave  
statsautoriseret revisor  
mne34166

## Company Information

### **The Company**

AX V INV5 Holding I ApS  
Sankt Annæ Plads 10  
DK-1250 København K

CVR No: 40 15 24 15  
Financial period: 1 January - 31 December  
Municipality of reg. office: København K

### **Board of Directors**

John Schappert, Chairman  
Lars Cordt, Deputy chairman  
Christian Bamberger Bro  
Mark Carges  
Jacob Wolff-Petersen

### **Executive Board**

Mian Ehtisham Rabbani  
Rene K. Andersen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2019</u> TDKK
Other external expenses		-35
<b>Profit/loss before financial income and expenses</b>		<b>-35</b>
Financial expenses		-1
<b>Profit/loss before tax</b>		<b>-36</b>
Tax on profit/loss for the year	3	8
<b>Net profit/loss for the year</b>		<b>-28</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-28
		<b>-28</b>

## Balance Sheet 31 December

	<u>Note</u>	<u>2019</u> TDKK
<b>Assets</b>		
Investment in subsidiary	4	<u>1.285.990</u>
<b>Fixed asset investments</b>		<u><b>1.285.990</b></u>
<b>Fixed assets</b>		<u><b>1.285.990</b></u>
Deferred tax asset		<u>8</u>
<b>Receivables</b>		<u><b>8</b></u>
<b>Currents assets</b>		<u><b>8</b></u>
<b>Assets</b>		<u><b>1.285.998</b></u>
 <b>Liabilities and equity</b>		
Share capital		59
Retained earnings		<u>1.285.854</u>
<b>Equity</b>		<u><b>1.285.913</b></u>
Trade payables		35
Other payables		<u>50</u>
<b>Short-term debt</b>		<u><b>85</b></u>
<b>Debt</b>		<u><b>85</b></u>
<b>Liabilities and equity</b>		<u><b>1.285.998</b></u>
Subsequent events	2	
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## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	0	0	0
Cash payment concerning formation of entity	50	0	50
Capital increase	9	199.991	200.000
Contribution from group	0	1.085.891	1.085.891
Net profit/loss for the year	0	-28	-28
<b>Equity at 31 December</b>	<b>59</b>	<b>1.285.854</b>	<b>1.285.913</b>

# Notes to the Financial Statements

## 1 Key activities

The Company's key activities are equity investments and other related activities.

## 2 Subsequent events

Management does not expect the Group to be significantly impacted by the Covid-19 outbreak and the actions that governments in most of the world have taken to mitigate the effects of the outbreak. Management is closely following developments, however it is too early to say whether and if so, what effect Covid-19 will have on Group revenue and earnings in 2020.

No other events have materially affected the assessment of the annual report after the balance sheet date.

	2019
	TDKK
<b>3 Tax on profit/loss for the year</b>	
Current tax for the year	-8
	<b>-8</b>

## 4 Investment in subsidiary

Cost at 1 January	0
Additions for the year	1.285.990
<b>Carrying amount at 31 December</b>	<b>1.285.990</b>

Investment in subsidiary are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
AX V INV5 Holding ApS	København	59	100%	1.280.904	-5.086

# Notes to the Financial Statements

## 5 Contingent assets, liabilities and other financial obligations

### Charges and security

The following assets have been placed as security with credit institutions:

The company has provided security in shares in the subsidiary AX V INV5 Holding ApS for debt to credit institutions in the subsidiaries; AX V INV5 Holding ApS, SteelSeries Holding ApS and SteelSeries ApS, totalling DKK 948 million.

The company has provided joint and several security for debt to credit institutions in the subsidiaries; AX V INV5 Holding ApS, SteelSeries Holdings ApS and SteelSeries ApS, totalling DKK 948 million.

### Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of AX V INV5 Holding III ApS, which is the management company of the joint taxation purposes. 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 un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 6 Related parties

### Consolidated Financial Statements

The Company is included in the consolidated financial statements of the Parent Company.

<u>Name</u>	<u>Place of registered office</u>
AX V INV5 Holding III ApS, CVR-nr. 39 93 61 43	Copenhagen, Denmark

# Notes to the Financial Statements

## 7 Accounting Policies

The Annual Report of AX V INV5 Holding I ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2019 are presented in TDKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of AX V INV5 Holding III ApS, CVR-nr. 39 93 61 43, the Company has not prepared consolidated financial statements.

### 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.

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

### Income Statement

#### Other external expenses

Other external expenses comprise administration costs, etc.

#### Income from investment in subsidiary

Dividend from subsidiary are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

#### 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 Danish enterprises in proportion to their taxable incomes.

### Balance Sheet

#### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

#### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

#### Equity

##### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

# Notes to the Financial Statements

## 7 Accounting Policies (continued)

### 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, including the tax base of tax loss carry-forwards, 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.

### 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.