
Hewlett-Packard ApS

Engholm Parkvej 8, DK-3450 Allerød

Annual Report for 1 November 2021 - 31 October 2022

CVR No 76 94 59 18

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
22/3 2023

Jovana Vukovic-Lütken
Chairman of the General
Meeting

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 November - 31 October	17
Balance Sheet 31 October	18
Statement of Changes in Equity	20
Notes to the Financial Statements	21

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Hewlett-Packard ApS for the financial year 1 November 2021 - 31 October 2022.

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 October 2022 of the Company and of the results of the Company operations for 2021/22.

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.

Allerød, 22 March 2023

Executive Board

Tine Sonne Kops

Board of Directors

Louise Karlskov Kaasgaard
Chairman

Tine Sonne Kops

Mette Hartung
Staff Representative

Kim Agertoft
Staff Representative

Independent Auditor's Report

To the Shareholder of Hewlett-Packard ApS

Opinion

We have audited the financial statements of Hewlett-Packard ApS for the financial year 1 of November 2021 to 31 of October 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 of October 2022 and of the results of the Company's operations for the financial year 1 of November 2021 to 31 of October 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 as to 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 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

Independent Auditor's Report

the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and 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 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 the Management's Review.

Our opinion on the financial statements does not cover the Management's Review, and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report

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, 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.

Vejle, 22 March 2023

EY

Godkendt Revisionspartnerselskab

CVR No 30 70 02 28

Heidi Brander

State Authorised Public Accountant

mne33253

Company Information

The Company

Hewlett-Packard ApS
Engholm Parkvej 8
DK-3450 Allerød

CVR No: 76 94 59 18
Financial period: 1 November - 31 October
Municipality of reg. office: Allerød

Board of Directors

Louise Karlskov Kaasgaard, Chairman
Tine Sonne Kops
Mette Hartung
Kim Agertoft

Executive Board

Tine Sonne Kops

Auditors

EY
Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
DK-2000 Frederiksberg

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2021/2022	2020/2021	2019/2020	2018/2019	2017/2018
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	1.553.612	1.259.612	1.162.108	1.277.428	1.421.028
Profit/loss before financial income and expenses	27.965	11.086	-316	7.571	-13.532
Net financials	9.111	483	-2.117	407	-7.772
Net profit/loss for the year	43.161	13.268	-2.383	10.487	-20.713
Balance sheet					
Balance sheet total	838.007	703.181	698.751	609.769	689.382
Equity	221.115	177.954	164.686	167.069	156.582
Investment in property, plant and equipment	172	608	237	1.806	5.861
Number of employees	136	146	150	146	164
Ratios					
Return on assets	3,3%	1,6%	0,0%	1,2%	-2,0%
Solvency ratio	26,4%	25,3%	23,6%	27,4%	22,7%
Return on equity	21,6%	7,7%	-1,4%	6,5%	-10,2%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Main business activities

Formed in Denmark in 1967, Hewlett Packard ApS (the Company or HPE) is a wholly owned subsidiary of Hewlett Packard Enterprise Company, one of the world's largest IT companies with a yearly revenue of USD 28 billion in the latest fiscal year. The Danish subsidiary imports, markets and sells a broad range of IT products, solutions and services for enterprise businesses and public institutions in the Danish market.

Hewlett Packard Enterprise is a global technology leader focused on developing intelligent solutions that allow customers to capture, analyze and act upon data seamlessly from edge to cloud. HPE enables customers to accelerate business outcomes by driving new business models, creating new customer and employee experiences, and increasing operational efficiency today and into the future.

In 2021/22 Hewlett Packard Enterprise was providing products, solutions and services within following main business segments: Compute, High Performance Compute and Artificial Intelligence ("HPC & AI", previously "HPC & MCS"), Storage, Intelligent Edge, Financial Services ("FS") and Corporate Investments and Other and served all those business segments on the Danish market.

The Compute business offers both general-purpose servers for multi-workload computing and workload-optimized servers to deliver the best performance and value for demanding applications. Compute offerings also include operational and support services and HPE GreenLake for Compute, which provides flexible Compute as-a-service ("aaS") IT infrastructure on a consumption basis. The HPC & AI business offers integrated systems comprised of software and hardware designed to address High-Performance Computing, Artificial Intelligence, Data Analytics and Transaction Processing workloads.

HPC & AI offerings also include operational and support services, whether sold with our systems or as standalone services, and most of our solutions are offered as-a-service through the HPE GreenLake edge-to-cloud platform.

The Storage business includes primary storage product and service offerings, which includes software-powered storage, cloud native primary storage, storage as-a-service, disaster recovery and ransomware recovery, backup as-a-service, and big data solutions. Storage also provides solutions for secondary workloads and traditional tape, storage networking, and disk products. Storage offerings also include operational and support services, software subscription services, and data infrastructure portfolio and solutions delivered as-a-service through the HPE GreenLake edge-to-cloud platform.

The Intelligent Edge business offers a portfolio of secure edge-to-cloud solutions operating under the HPE Aruba brand that include wired and wireless local area network ("LAN"), campus and data center switching, software-defined wide area networking, network security, and associated services to enable secure connectivity. The primary business drivers for Intelligent Edge solutions are work from anywhere environment, mobility and internet of things ("IoT"). The HPE Aruba product portfolio includes hardware products, such as Wi-Fi access points, switches, and gateways while the HPE Aruba software and services portfolio includes cloud-based management, network management, network access control, analytics and assurance, location services software, and professional and support services, as well as as-a-service and consumption models through the HPE GreenLake edge-to-cloud platform.

Management's Review

The Financial Services business provides flexible investment solutions, such as leasing, financing, IT consumption, utility programs and asset management services for customers that facilitate unique technology deployment models and the acquisition of complete IT solutions, including hardware, software and services from HPE. FS also supports financial solutions for on-premise flexible consumption models, such as HPE GreenLake.

Corporate Investments and Other includes the Advisory and Professional Services ("A&PS") business, which offers consultative-led services, technology expertise and advice, implementation services, and complex solution engagement capabilities; the Communications and Media Solutions ("CMS") business which offers software and related services to the telecommunications industry; the HPE Software business covering HPE Ezmeral portfolio.

Business Review

Revenue for 2021/22 came in at TDKK 1.553.612 and has increased by 23% compared to prior fiscal year. The Company's income statement for fiscal year 2021/22 shows a profit before tax of TDKK 37.076 and the balance sheet per October 31, 2022 shows equity of TDKK 221.115.

The revenue level and its increase are considered satisfactory, exceeding slightly prior year outlook of TDKK 1.300.000-1.500.000, mainly due to solid execution of the strategy to pivot towards more profitable products, solutions and as-a-service offerings, reported big global deals, and favourable exchange rates fluctuations. The same reasons were the driver for the reported profit before tax, which exceeded the expectation to be in line with the one reported in 2020/21.

The Company succeeded in maintaining the market position within key strategy areas despite economic instability (including inflation, recession, interest rate fluctuations) caused by the novel coronavirus pandemic ("COVID-19" or "pandemic") and the ongoing conflict between Russia and Ukraine. For the past two years, the COVID-19 pandemic and efforts to control its spread have significantly curtailed the movement of people, goods and services worldwide, and due to an unprecedented demand for electronic devices, which, coupled with industry-wide supply constraints, has led to a challenging supply chain environment. As a result of ongoing delays to the global logistics environment, especially in the second half of 2020/21, HPE experienced logistics timing issues which resulted in higher levels of order backlog. In that light, while the Company is satisfied with the revenue increase in 2021/22, it was partially affected by the backlog reduction and the pandemic uneven recovery may continue to adversely affect the business in a variety of ways. The extraordinary situation of the Russian aggression against Ukraine and the uncertain business environment did not reveal any specific implications on the entity yet but there could be additional adverse impacts to our net revenues and results should the situation continue or escalate geopolitical tensions and the impacts of recession, inflation, and supply chain pressures, both regionally and globally. In that light the Company is satisfied with the revenue increase and net result reported in this still economically difficult year.

In 2021/22 the Danish server market continued to improve due to overall demand increase, higher average unit prices, resulting from a combination of increased sales with more complex component architectures in our next generation products, and disciplined pricing. HPE is by far the biggest supplier

Management's Review

of server solutions to the Danish market, and was able to recover from the economic slowdown, reported significant increase despite being impacted by industry-wide supply constraints.

The Intelligent Edge (HPE Aruba) quickly recovered from economic slowdown already in 2020/21, maintained its position on the Danish network market and reported in 2021/22 a solid growth compared to prior year, led by the wireless local area network ("WLAN") and higher attached support services and as-a-service offerings.

The Storage business reported revenue decrease and struggled to maintain its market position within the segment. Decrease was caused mainly by lower demand for traditional storage solutions, transition to new generation of product platforms (HPE Alletra and HPE Primera) and supply chain constraints. Focus on continued transition to more service-intensive, and software-rich offerings, is a key driver for HPE market share increase.

HPE Pointnext is the service business organization, which is reported within other business segments. Fiscal year 2021/22 was satisfactory for services in all business lines, showing 20% of overall growth and with revenue and margins kept in line with expectations. HPE continued its laser focus on acclaimed consumption-based offering HPE GreenLake, which is a key in the HPE's "edge-to-cloud platform as a service" strategy to make all products and solutions available as as-a-service.

More than two-thirds of HPE's products and solutions are delivered to the market in cooperation with our channel partners and distributors. It is important to HPE to be a trustworthy and profitable supplier that actively and visibly develops the market. The Partner Ready program, supporting the development and maintenance of sales, architecture and delivery competencies with our resellers and distributors, facilitates that HPE's customers receive competent services and attain the business targets driving. The Company keeps supporting the channel partners with new services, as the market demands as-a-service offerings alongside conventional on-premise solutions and in line with HPE strategy.

Operating risks

The Company relies on the HPE Group business strategy, continuous development and manufacture of the products demanded by the Danish market. Therefore, the principal risks and uncertainties facing the Company are directly tied to those of the HPE group. The following risks factors reflect only the principal risks and uncertainties HPE is facing.

For the past two years, the COVID-19 pandemic and efforts to control its spread have significantly curtailed the movement of people, goods and services worldwide, including most of the regions in which HPE sells products and services and conducts business operations. The pandemic has resulted in a global slowdown of economic activity, including travel restrictions, prohibitions of non-essential activities in some cases, disruption and shutdown of businesses and greater uncertainty in global financial markets. Although the immediate impacts of the COVID-19 pandemic have been assessed and mitigated, the ultimate extent of the impact of the pandemic, including as a result of possible subsequent outbreaks of COVID-19 or of new variants thereof and measures taken in response thereto, will depend on future developments, which remain highly uncertain and cannot currently be predicted. The pandemic and its uneven recovery have adversely affected, continue to adversely affect, and we expect may continue to

Management's Review

adversely affect, businesses worldwide, in a variety of ways, including by restricting operations, sales, marketing and distribution efforts; and disrupting the supply chains of hardware products. In addition, as the COVID-19 pandemic has disrupted the operations of our customers, partners, and suppliers, there have been, and there may continue to be, delays of hardware product shipments from our vendors and out of our manufacturing and logistics operations worldwide as a result of capacity issues. While capacity shortages are beginning to show signs of recovery, they may nevertheless persist, adversely disrupting our business. Additionally, concerns over the economic impact of the COVID-19 pandemic have caused extreme volatility in financial markets and to the extent the pandemic adversely affects businesses and financial results, it may also have the effect of heightening many of the other risks. The long-term magnitude and duration of the disruption and resulting decline in business activity is still highly uncertain and cannot currently be assessed.

The Company's operations and supply chain could be disrupted by natural or human induced disasters including, but not limited to, floods; fires; other extreme weather conditions; power or water shortages; telecommunications failures; materials scarcity and price volatility; terrorist acts, conflicts or wars; and medical epidemics or pandemics. HPE is predominantly self-insured to mitigate the impact of most catastrophic events. Although it is impossible to completely predict the occurrences or consequences of any such events, forecasting disruptive events and building additional resiliency into operations accordingly became an increasing business imperative. The occurrence of business disruptions could result in significant losses, seriously harm revenue, profitability and financial condition, adversely affect competitive position, increase expenses, decrease demand for HPE products, make it difficult to provide services or deliver products to customers or to receive components from suppliers, create delays in supply chain, require substantial expenditures and recovery time in order to fully resume operations.

HPE is currently transitioning to an as-a-service company, providing entire portfolio through a range of subscription/consumption-based, pay-per-use and as-a-service offerings. The Company will continue to provide hardware and software in a capital expenditure and license-based model, ultimately giving customers choice in consuming products and services in a traditional or as-a-service offering. Such business model changes entail significant risks and uncertainties, as HPE may be unable to complete the transition to a subscription/consumption-based business model or manage the transition successfully and in a timely manner.

Management's Review

Outlook

Over the last several years, new megatrends around edge, cloud, and data have emerged to shape customer expectations for enterprise technology. First, data at the edge is increasing exponentially, driven by the proliferation of devices that require secure connectivity to enable reliable digital experiences. Second, enterprises need a cloud experience everywhere to manage data and workloads wherever they live across a distributed enterprise. Third, data growth is creating countless new opportunities to generate meaningful business insights. Customer response to these megatrends has been accelerated by the pandemic and the increasing pace of technological innovation.

In line with these trends, enterprises are consuming their technology differently. Increasingly, customers want to digitally transform while preserving capital and eliminating operating expense by paying only for the information technology ("IT") they use.

The megatrends are ushering in long-lasting changes to IT, including accelerating hybrid multi-cloud adoption. Customers across industry verticals are interested in unifying all the applications and data with a consistent cloud experience.

HPE Group has deployed an edge-to-cloud strategy that capitalizes on emergent megatrends and delivers a data-first modernization approach for customers. HPE vision to be the edge-to-cloud company has led to innovation of our solutions across connectivity, cloud, and data. We have shifted our mix of products and services, and how we deliver that mix to customers.

HPE Group has evolved to a platform-based model, fueled by a portfolio richer in software and services. HPE GreenLake edge-to-cloud platform is a centerpiece of our strategy; it accelerates multi-generation IT transformation through a unified cloud services experience that empowers customers to access, analyze, and extract value from their data across public clouds, data centers, colocation facilities, and at the edge.

Nevertheless, COVID-19 pandemic and ongoing conflict between Russia and Ukraine lasting effects, like global economic slowdown and uncertainty, inflationary pressures, and supply chain constraints, remain a global challenge. These challenging conditions will continue to persist and have continuous impact on our financial performance, to the extent we are unable to precisely predict. It is therefore expected that the Company will suffer the revenue decline and report it within the range of TDKK 1.200.000 – 1.400.000 with the profit before tax within the range of TDKK 15.000 – 20.000.

Statutory CSR report under section 99a of the Danish Financial Statements Act

The Company has availed of the exemption provided in the Danish Financial Statements Act from the requirement to present full content of Statutory CSR report under section 99a of the Danish Financial Statements Act.

For the Company's statutory reporting on corporate social responsibility under section 99a and the gender composition of management under 99b, please refer to the full non-financial disclosure report available at: <https://www.hpe.com/psnow/doc/a50008205enw>.

Management's Review

HPE LIVING PROGRESS

Living Progress is our plan to apply the innovation engine of Hewlett Packard Enterprise (HPE) to create sustainable IT solutions. This commitment to environmental, social, governance (ESG) matters is integrated into our business strategy, increasing the competitiveness and resilience of our business.

Our customers consider HPE's sustainable and efficient IT solutions to be a strategic differentiator, helping to meet both their financial and sustainability goals. Through innovative product designs and solutions, HPE enables our customers to maximize the efficiency of IT infrastructure, achieving more work for less cost and lower environmental impact.

Building the operational and reputational resilience of our value chain is also key to meeting and exceeding the expectations of our stakeholders. HPE's proactive approach to managing ESG factors mitigates risks to our company, such as fluctuating commodity prices or tightening regulations, while creating new financial opportunities.

Our leadership has earned HPE recognition on global rankings including the Dow Jones Sustainability Index, EcoVadis Platinum, and CDP Water A list Climate A- List. This leadership fosters employee pride both in our company and in the important role HPE solutions play in solving the world's biggest social and environmental challenges.

OUR MATERIAL ISSUES

Materiality guides our Living Progress plan, helping to meet the expectations of our stakeholders, integrate sustainability across our business, and ensure overall accountability. We believe that a stakeholder-centric approach will help HPE achieve these objectives.

Every two years we conduct a global nonfinancial materiality assessment to help ensure our strategy is focused in the right areas. Our most recent assessment was completed in fiscal year 2022, taking into account the evolution of our business, changes in the global corporate sustainability reporting landscape, evolving investor and stakeholder ESG information needs, and the continuing evolution of best-practice techniques informed by organizations such as the Global Reporting Index (GRI) and the SASB Standards. As a result, our latest assessment adopts a double materiality definition. Conducted by external consultant BSR, our nonfinancial materiality assessment engaged customers, industry analysts, suppliers, and HPE management to identify priority issues.

For more information on HPE's latest materiality assessment, please refer to our global Living Progress Report (<https://www.hpe.com/us/en/living-progress.html>).

REPORTING SCOPE

Hewlett-Packard ApS is part of the Hewlett Packard Enterprise Group (HPE), established in Denmark in 1967. The Danish subsidiary imports, markets and sells a broad range of IT products, solutions and services for enterprise businesses, public institutions and private customers in the Danish market. As such, this report covers only issues with material impacts specific to HPE Denmark, primarily regarding operational impacts including our local workforce and business conduct. Issues material to HPE's global

Management's Review

environmental footprint, supply chain and products and services are covered in the annual global HPE Living Progress Report (<https://www.hpe.com/us/en/living-progress.html>).

Material issues addressed in this report include: Corporate governance, Ethical behaviour, integrity and business partnerships; Employee health and safety; Employee engagement, development, and well-being; Community Investment and Diversity and Inclusion (workforce). This report outlines HPE's global management approach to these material issues, supported by non-financial KPIs specific to HPE Denmark where applicable. The report also covers our environment and climate impacts, which are critical to reporting compliance.

For more information on HPE's approach to ESG issue management, including issues relevant to our supply chain and products and solutions, please visit HPE Living Progress (<https://www.hpe.com/us/en/living-progress.html>).

Statutory CSR report under section 99b of the Danish Financial Statements Act

DIVERSITY, EQUITY, AND INCLUSION

Our workforce is strengthened by people from different ethnicities, abilities, education levels, gender identities, sexual orientation, and cognitive styles. Yet a lack of diversity remains a top issue within our industry. It is a business imperative to continue recruiting and promoting employees with varied backgrounds who, when brought together, develop solutions that drive innovation.

All departments at HPE set measurable goals aligned with our Global Diversity, Equity, and Inclusion strategy and policies, and our people leaders are evaluated based on inclusion training, programs and events.

It is well known that women are underrepresented in the tech industry. This is a reality we are working to reverse. Of the 12 global HPE Board members, five are women and two identify with one or more diverse groups in ethnicity, race, or nationality. 11 members are independent of HPE. In addition, the HPE Denmark Board consists of four individuals: two are Shareholder elected and two are employee elected; three of whom are female - which is considered an equal distribution. Currently, women make up 26,4% of the HPE Denmark workforce and 31.6% of our senior management positions.

The equal opportunities committee at HPE works towards ensuring that all co-workers in HPE are treated fairly and that no one is discriminated against based on age, sex, nationality, religious belief or sexual orientation. As of 2022, 78% of our people leaders completed Inclusive Leadership training, and 75% of remaining HPE employees, completed Inclusion for All training. For three consecutive years, HPE has been listed on the global Bloomberg Gender Equality Index, which tracks the financial performance of public companies committed to supporting gender equality through policy development, representation, and transparency.

We have a zero tolerance policy of discrimination and harassment, as well as an Open Door Policy for employees to express any concerns over experiences at work. We encourage employees to report ethics violations to their human resources department or our Ethics and Compliance Office.

Management's Review

The basic freedoms and standards of treatment to which all people are entitled are universal. Upholding these rights is fundamental to our values. The HPE Global Human Rights Policy is the foundation for our approach, which is rooted in the expectations set out by the UN Guiding Principles on Business and Human Rights. The HPE Office of Operations, Legal and Administrative Affairs guides our approach to human rights, and works across the business to address specific issues as they arise.

Global Policies:

- HPE Global Human Rights Policy
- HPE Open Door Policy
- HPE Harassment-Free Work Environment Policy
- HPE Nondiscrimination Policy
- HPE Standards of Business Conduct
- HPE Accessibility Policy

HPE Denmark KPIs:

- Employees (regular full-time) by gender: Women 34 (24,6%), Men 95 (73,6%)
- Senior managers by gender: Women 6 (31,6%), Men 13 (68,4%)
- HPE Denmark Board by gender: Women 3 (75%), Men 1 (25%)

ACCOUNTING PRACTICE

Employees (regular full-time) by gender:

Percentage of female over total is the percentage of women employed based on headcount. Headcount defined as all employees on HPE payroll regardless of the type of contract (regular and temporary) including employees on leave (paid and unpaid); excluded are contractors and third-party workers.

Senior managers by gender:

Women in Management: Percentage of female managers vs total management headcount. Management identified based on job levels including 3 types of leaders: Supervisors, Managers, Executives. Headcount defined as all employees on HPE payroll regardless of the type of contract (regular and temporary) including employees on leave (paid and unpaid); excluded are contractors and third-party workers. The percentage of men is calculated by deducting the number of females managers from total management headcount.

HPE Denmark Board by gender:

Women in Board percentage of female board members vs total number of board members.

Statutory CSR report under section 99d of the Danish Financial Statements Act

DATA ETHICS

HPE uses the personal data of employees, contingent workers and business contacts to manage and support its business operations, including B2B marketing and related profiling and personalization. The majority of this data is collected by HPE directly from individuals and some data is acquired from reputable and legitimate sources to support activities such as lead generation. HPE develops and

Management's Review

provides IT products and services to enterprise customers to enable their use and analysis of data in all industry sectors.

Responsible and ethical use of data is imperative, and HPE aims to be at the forefront of responsible data practices. HPE's Privacy Office, AI Ethics Advisory Board and Data Office support the ethical use of data in partnership with HPE's business groups and functions.

We have robust privacy governance and a suite of internal accountability measures to ensure compliant and responsible use of personal data. HPE's Global Security team deploys and manages appropriate cyber controls to enable data protection.

Our Global Privacy Policy outlines the general privacy and data-protection principles we follow. The Employee Privacy Policy and HPE Privacy Statement inform employees, customers and partners about our privacy practices and explain what personal data we collect, use, disclose, and transfer. The policies detail the choices individuals can make and rights they can exercise in relation to their personal data.

More than 70% of HPE's products and solutions are delivered to the market in cooperation with our partners and distributors. It is important to HPE to be a trustworthy and profitable supplier that actively and visibly develops the market. The Partner Ready program, supporting the development and maintenance of sales, architecture and delivery competencies with our resellers and distributors, facilitates that HPE's customers receive competent services and attain the business targets driving.

Our Privacy Impact and Compliance Assessment (PICA) tool helps us integrate privacy protection and a privacy-by-design approach into our business practices, products, and services.

HPE established an AI Ethics Advisory Board and Working Group in 2020 to support the responsible use and development of AI and our mission to provide technology solutions that advance the way people live and work.

We launched a set of AI Ethical Principles in April 2021, supported by a risk review process to identify and mitigate ethical risks from AI. The Privacy Office makes referrals for review that may arise from a PICA. We are currently in the process of further operationalizing the ethical principles within our business operations.

HPE's Data Office launched a new Data Operating Model in 2021 which is being aligned into our Privacy, Security and AI Ethics governance and risk management processes. This model allows us to efficiently align key HPE data stakeholders across the globe with data policies and tools to ensure proper use of data.

We educate all team members on privacy and security through our mandatory annual Standards of Business Conduct training (which consistently has a completion rate above 99.8%) and Cyber Security training. In addition, Human Resources (HR) and Payroll team members are required to complete privacy training every 24 months to retain access to our HR reporting.

Management's Review

Global Policies:

- Global Privacy Policy
- The Employee Privacy Policy
- HPE Privacy Statement

HPE Denmark KPIs:

- Percentage of employees who completed annual privacy and security training (through mandatory annual Standards of Business Conduct training) 100%

Significant events

While great progress has been made in the fight against COVID-19, there remain global challenges from the pandemic's lasting effects. In fiscal 2022 and 2021, due to an unprecedented demand for electronic devices and related industry-wide supply constraints, the global economy encountered a challenging supply chain environment. At the end of fiscal 2022, the supply chain challenges we experienced as a result of the pandemic eased, but the extent to which they may adversely impact our future business operations, financial performance and results of operations, remains unpredictable.

The ongoing conflict between Russia and Ukraine has impacted businesses in the European Union (the "EU") and several other jurisdictions. The potential implications on the Company out of the Russian aggression against Ukraine were analyzed by the Management Board and the assessment of the Company's situation and uncertain business environment did not reveal any specific threats to the Company's operations and its financial situation. Nevertheless, HPE Group continues to monitor the social, political, regulatory, and economic environment in Russia and Ukraine, and will consider further actions as appropriate.

There were no other unusual events in fiscal year 2021/22.

Subsequent events

There were no other events, subsequent to the financial year-end, that could materially impact the Company's financial position for 2021/22.

Income Statement 1 November - 31 October

	Note	2021/2022 TDKK	2020/2021 TDKK
Revenue	2	1.553.612	1.259.612
Cost of sales		-1.303.817	-1.004.897
Other external expenses		<u>-49.021</u>	<u>-38.413</u>
Gross profit/loss		200.774	216.302
Staff expenses	3	-171.736	-204.004
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	4	<u>-1.073</u>	<u>-1.212</u>
Profit/loss before financial income and expenses		27.965	11.086
Financial income	5	10.350	990
Financial expenses	6	<u>-1.239</u>	<u>-507</u>
Profit/loss before tax		37.076	11.569
Tax on profit/loss for the year	7	<u>6.085</u>	<u>1.699</u>
Net profit/loss for the year		<u>43.161</u>	<u>13.268</u>

Balance Sheet 31 October

Assets

	Note	2021/2022 TDKK	2020/2021 TDKK
Goodwill		0	0
Intangible assets	8	0	0
Plant and machinery		0	0
Other fixtures and fittings, tools and equipment		662	615
Leasehold improvements		4.471	5.394
Property, plant and equipment in progress		0	25
Property, plant and equipment	9	5.133	6.034
Prepayments	11	18.181	14.575
Fixed asset investments		18.181	14.575
Fixed assets		23.314	20.609
Inventories		92.315	14.139
Trade receivables		208.573	91.728
Contract work in progress		2.342	1.600
Receivables from group enterprises		458.499	504.001
Other receivables		10.887	834
Deferred tax asset	10	24.800	13.900
Prepayments	11	11.755	7.084
Receivables		716.856	619.147
Cash at bank and in hand		5.522	49.286
Currents assets		814.693	682.572
Assets		838.007	703.181

Balance Sheet 31 October

Liabilities and equity

	Note	2021/2022 TDKK	2020/2021 TDKK
Share capital		31.101	31.101
Retained earnings		190.014	146.853
Equity	12	221.115	177.954
Other provisions	14	13.541	13.604
Provisions		13.541	13.604
Deferred income		180.121	159.674
Long-term debt	15	180.121	159.674
Trade payables		29.707	32.120
Contract work in progress, liabilities		2.552	2.444
Payables to group enterprises		190.451	69.243
Corporation tax		5.845	0
Other payables	15	54.508	118.563
Deferred income	16	140.167	129.579
Short-term debt		423.230	351.949
Debt		603.351	511.623
Liabilities and equity		838.007	703.181
Unusual events	1		
Distribution of profit	13		
Contingent assets, liabilities and other financial obligations	17		
Related parties	18		
Fee to auditors appointed at the general meeting	19		
Accounting Policies	20		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 November	31.101	146.853	177.954
Net profit/loss for the year	0	43.161	43.161
Equity at 31 October	31.101	190.014	221.115

Notes to the Financial Statements

1 Unusual events

While great progress has been made in the fight against COVID-19, there remain global challenges from the pandemic's lasting effects. In fiscal 2022 and 2021, due to an unprecedented demand for electronic devices and related industry-wide supply constraints, the global economy encountered a challenging supply chain environment. At the end of fiscal 2022, the supply chain challenges we experienced as a result of the pandemic eased, but the extent to which they may adversely impact our future business operations, financial performance and results of operations, remains unpredictable.

The ongoing conflict between Russia and Ukraine has impacted businesses in the European Union (the "EU") and several other jurisdictions. The potential implications on the Company out of the Russian aggression against Ukraine were analyzed by the Management Board and the assessment of the Company's situation and uncertain business environment did not reveal any specific threats to the Company's operations and its financial situation. Nevertheless, HPE Group continues to monitor the social, political, regulatory, and economic environment in Russia and Ukraine, and will consider further actions as appropriate.

There were no other unusual events in fiscal year 2021/2022.

2 Revenue

Geographical segments

	2021/2022 TDKK	2020/2021 TDKK
Revenue, Denmark	1.529.842	1.245.756
Revenue, exports	23.770	13.856
	1.553.612	1.259.612

Business segments

Compute	934.750	657.052
Storage	220.236	264.752
Intelligent Edge	320.127	272.703
HPC & MCS	39.983	47.752
Other	38.516	17.353
	1.553.612	1.259.612

Notes to the Financial Statements

	2021/2022	2020/2021
	TDKK	TDKK
3 Staff expenses		
Wages and salaries	160.180	187.142
Pensions	12.100	12.633
Other social security expenses	-544	4.229
	171.736	204.004

Average number of employees	136	146
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Pursuant to the exemption clause under section 98 B (3) of the Danish Financial Statements Act, the Company has chosen to omit disclosure of Executive Board remuneration for 2021/2022 as it would lead to disclosing the remuneration of a single person.

Staff costs in 2020/2021 included remuneration of the Company's Executive Board of TDKK 2.749 which was composed of a base salary and a variable salary dependent on Executive Board performance.

4 Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

Amortisation of intangible assets	0	281
Depreciation of property, plant and equipment	1.073	931
	1.073	1.212

Which is specified as follows:

Goodwill	0	281
Other fixtures and fittings, tools and equipment	129	99
Leasehold improvements	944	832
	1.073	1.212

5 Financial income

Interest received from group enterprises	1.089	73
Other financial income	11	3
Exchange gains	9.250	914
	10.350	990

Notes to the Financial Statements

	2021/2022 TDKK	2020/2021 TDKK
6 Financial expenses		
Interest paid to group enterprises	3	0
Other financial expenses	1.236	507
	1.239	507
7 Tax on profit/loss for the year		
Current tax for the year	1.768	101
Deferred tax for the year	-10.900	-1.800
Adjustment of tax concerning previous years	3.047	0
	-6.085	-1.699
8 Intangible assets		
		Goodwill TDKK
Cost at 1 November		22.391
Cost at 31 October		22.391
Impairment losses and amortisation at 1 November		22.391
Impairment losses and amortisation at 31 October		22.391
Carrying amount at 31 October		0

Notes to the Financial Statements

9 Property, plant and equipment

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 November	43	1.280	11.822	25	13.170
Additions for the year	0	172	0	0	172
Transfers for the year	0	4	21	-25	0
Cost at 31 October	43	1.456	11.843	0	13.342
Impairment losses and depreciation at 1 November	43	665	6.428	0	7.136
Depreciation for the year	0	129	944	0	1.073
Impairment losses and depreciation at 31 October	43	794	7.372	0	8.209
Carrying amount at 31 October	0	662	4.471	0	5.133

10 Deferred tax asset

	2021/2022 TDKK	2020/2021 TDKK
Deferred tax asset at 1 November	13.900	12.100
Amounts recognised in the income statement for the year	10.900	1.800
Deferred tax asset at 31 October	24.800	13.900

The recognised tax asset comprises loss carry-forwards expected to be utilised within the next 5 years.

11 Prepayments

Short-term prepayments consist of prepaid expenses concerning prepaid sales commissions, prepaid subcontractors services, prepaid rent and other prepayments.

Long-term prepayments consist of prepaid expenses concerning prepaid sales commissions and prepaid subcontractors services.

Notes to the Financial Statements

12 Equity

The share capital is broken down as follow:

	Number	Nominal value TDKK
A-shares	30.000	30.000
A-shares	500	500
A-shares	1.000	1
B-shares	500	500
C-shares	100	100
		31.101

13 Distribution of profit

	2021/2022 TDKK	2020/2021 TDKK
Retained earnings	43.161	13.268
	43.161	13.268

14 Other provisions

Balance at beginning of year	13.604	15.682
Amounts provided in the year	8.339	6.126
Amounts utilised during the year	-8.402	-8.204
	13.541	13.604

Provision is made for expected warranty claims on products with unexpired warranty periods. Standard product warranty terms generally include post-sales support and repairs or replacement of a product at no additional charge for a specified period of time. Estimated warranty obligation is based on contractual warranty terms, repair costs, product call rates, average cost per call, current period product shipments and ongoing product failure rates, as well as specific product class failure outside of baseline experience. It is expected that these costs will have been incurred within 3 years of the balance sheet date in accordance with the respective contractual obligations.

Notes to the Financial Statements

15 Long-term debt

	2021/2022 TDKK	2020/2021 TDKK
Deferred income		
Between 1 and 5 years	180.121	159.674
Long-term part	180.121	159.674
Other deferred income	140.167	129.579
	320.288	289.253

16 Deferred income

Deferred income primarily relates to support contracts booked as income over the terms of the contracts.

17 Contingent assets, liabilities and other financial obligations

Contingent assets

The company has a non-recognised tax asset of DKK 14.9 million in 2021/2022. (DKK 42.5 million in 2020/2021).

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	2.527	3.882
Between 1 and 5 years	892	2.382
	3.419	6.264

Notes to the Financial Statements

18 Related parties

	<u>Basis</u>
Controlling interest	
Hewlett-Packard The Hague B.V., Amstelveen, The Netherlands	Parent company

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

All transactions with related parties are conducted at arm's length.

Consolidated Financial Statements

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

<u>Name</u>	<u>Place of registered office</u>
Hewlett Packard Enterprise Company (Ultimate parent)	Texas, USA
Hewlett-Packard The Hague B.V. (parent company)	Amstelveen, The Netherlands

The Group Annual Report of Hewlett Packard Enterprise Company (ultimate parent) & Hewlett-Packard The Hague B.V. (parent company) may be obtained at the following address:

Hewlett Packard Enterprise Company, 11445 Compaq Center West Drive, Houston, Texas, USA
Hewlett-Packard The Hague B.V., Stroombaan 16, 1181 VX, Amstelveen, The Netherlands

19 Fee to auditors appointed at the general meeting

EY

	<u>2021/2022</u> TDKK	<u>2020/2021</u> TDKK
Audit fee	319	296
Other fees	30	0
	<u>349</u>	<u>296</u>

Notes to the Financial Statements

20 Accounting Policies

The Annual Report of Hewlett-Packard ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in TDKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Hewlett-Packard The Hague B.V. (parent company), the Company has not prepared a cash flow statement.

Leases

In accordance with IAS 17 leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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.

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.

Revenue

Information on geographical segments based on the Companys risks and returns and its internal financial reporting system. Geographical segments are regarded as the primary segments.

Notes to the Financial Statements

20 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods in accordance with IAS 18 is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services in accordance with IAS 18 are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, 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 goodwill 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.

Notes to the Financial Statements

20 Accounting Policies (continued)

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.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

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 expected useful lives of the assets, which are:

Plant and machinery	3-10	years
Other fixtures and fittings, tools and equipment	3-10	years
Leasehold improvements	5-15	years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment 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.

Fixed asset investments

Fixed asset investments consist of long-term prepayments which consist of prepaid expenses concerning prepaid sales commissions and prepaid subcontractors services.

Notes to the Financial Statements

20 Accounting Policies (continued)

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The cost of goods for resale equals landed cost as well as other costs directly attributable to the acquisition.

Receivables

Receivables in accordance with IAS 39 are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value.

In accordance with IAS 39, an impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis, in which case the carrying amount is reduced to the net realisable value.

Contract work in progress

Contract work in progress regarding service in accordance with IAS 11 is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning subsequent financial reporting years.

Cash at bank and in hand

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

Cash on short-term deposits are amounts lodged with Compaq Trademark B.V., a fellow HPE Group company. These amounts are readily convertible with no monetary change or loss in value and are

Notes to the Financial Statements

20 Accounting Policies (continued)

presented as receivables from group enterprises.

Equity

The share capital comprises the nominal portion of the amounts paid in by shareholders, divided into shares of DKK 500. Each share represents one vote. No shares have special rights. No shareholder is obliged to have shares redeemed. Transfer of shares can only be effected with the consent of a General Meeting.

Retained earnings represents all historical profits earned by the Company less any dividends paid to its Shareholders in the past. The Board of Directors is authorised to make decisions on distribution of dividend in accordance with The Danish Companies Act

Provisions

Provisions comprise expected expenses relating to guarantee commitments, etc. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

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.

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.

Trade and other payables

Other payables are measured at net realisation value.

Notes to the Financial Statements

20 Accounting Policies (continued)

Deferred income

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

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$