Wolters Kluwer Danmark A/S

Nyhavn 16

1051 København K

CVR No. 13386293

Annual Report 2017

29. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 4 June 2018

Katarina Thörnqvist
Chairman

Wolters Kluwer

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Wolters Kluwer

Management's Statement

Today, Management has considered and adopted the Annual Report of Wolters Kluwer Danmark A/S for the financial year 1 January 2017 - 31 December 2017.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January 2017 - 31 December 2017.

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

Copenhagen, 4 June 2018

Executive Board

Peter Alnor
Man. Director

Supervisory Board

Katarina Thörnqvist Chairman	Andrea Fiene	Peter Alnor Man. Director

Independent Auditor's Report

To the shareholders of Wolters Kluwer Danmark A/S

Opinion
We have audited the financial statements of Wolters Kluwer Danmark A/S for the financial year 1 January – 31 December 2017, which comprise income statement, balance sheet 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 December 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis of 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' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibility 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.

The auditor's responsibility 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 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 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 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 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.

Independent Auditor's Report

* 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 conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review
Management is responsible for 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.

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.

Copenhagen, 4 June 2018

Ernst & Young
Godkendt Revisionspartnerselskab
CVR-no. 30700228

Henrik Pedersen
State Authorised Public Accountant
MNE no.: mne35456

Company details

Company	Wolters Kluwer Danmark A/S Nyhavn 16 1051 København K
Telephone	70203314
email	kundeservice@wolterskluwer.dk
Website	www.wolterskluwer.dk
CVR No.	13386293
Date of formation	1 August 1989
Financial year	1 January 2017 - 31 December 2017
Supervisory Board	Katarina Thörnqvist, Chairman Andrea Fiene Peter Alnor, Man. Director
Executive Board	Peter Alnor, Man. Director
Parent Company	Wolters Kluwer International Holding nv. Zuidpoolsingel 2 2400 BA Alphen aun den Rijn Holland The Group Annual Report can be requested here.
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4 2000 Frederiksberg CVR-no.: 30700228

Management's Review

The Company's principal activities
The Company's principal activities comprise the development and sale of software tools to professional advisers.

The Company develops and sells software for tax computation, audit and accounting support and feasibility study modules to primarily the financial sector. Moreover, the Company develops and sells tailored solutions and consultancy services in connection with software integration and calculations.

Development in activities and financial matters
The Company's Income Statement of the financial year 01-01-2017 - 31-12-2017 shows a result of DKK 490.824, the Balance Sheet at 31-12-2017 a balance sheet total of DKK 61.181.442 and an equity of DKK 40.014.555.

The core software business is developing positively and show continued increased growth and profitability. The trend is expected to continue in 2018 due to new product launches and increased market share. A positive result in 2018 is expected.

In January 2017 the Company has aquired Focus IT a/s in Svendborg. This acquisition has strengthened the core business of the Company.

Post financial year events
In 2018 the company and Focus IT a/s in Svendborg will be merged. This will contribute positively to and strengthen the activities and growth in the core software business. No other events have occurred which may change the financial position of the Company substantially.

Expectations for the future
The Company's product and business development is closely related to the Group's growth strategy and new technology platforms. This contributes to effective product development, expanded product portfolio in the coming years and will strengthen the Company's position and opportunities in the market.

Accounting Policies

Reporting Class
The Annual Report of Wolters Kluwer Danmark A/S for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The company presents the Annual Report according to reporting class B with a few added rules from reporting class C.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statement of Wolters Kluwer Danmark A/S and its group entities are included in the consolidated financial statements of Wolters Kluwer International Holding nv.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement
Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Revenue
Income from the sale of goods is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Accounting Policies

Income from delivery of services is recognised as revenue as the service is delivered.

Cost of sales

Cost of sales are expenses that can relate directly to the products.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Employee benefits expense

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Completed development projects	5-8 years	0%
Consessions, patents, licens, trademarks and other similar rights	3-5 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

The accounting value for each intangible and tangible asset including residual value is evaluated each year.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Other intangible assets, including licences and acquired rights etc., are measured at cost less accumulated amortisation and impairment losses.

Accounting Policies

Clearly defined and identifiable development projects where the technical rate of utilisation, sufficient resources and a potential future market or development potential in the Company are provable and where the intention is to manufacture, market or use the product or process are recognised as intangible assets if the value in use can be determined reliably and it is sufficiently certain that future earnings can cover production, sales and administration costs as well as total development costs.

Other development costs are recognised as costs in the Income Statement as they incur.

Development costs are calculated at the costs directly incurred and a share of the costs attributable to the individual development projects.

Tangible assets
Tangible assets are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Equity investments in group enterprises and associates
Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

Receivables
Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets
Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Provisions
Deferred tax
Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Current tax liabilities
Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Payables
Other liabilities, including debt to suppliers and other debt, are measured at amortized cost, which usually corresponds to the nominal value.

Accounting Policies

Accruals and deferred income, equity and liabilities
Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2017 kr.	2016 kr.
Revenue		28.954.321	28.739.191
Cost of sales		-1.173.727	-2.601.944
Other external expenses		-8.679.526	-8.465.407
Gross result		**19.101.068**	**17.671.840**
Employee benefits expense	1	-16.445.739	-15.457.965
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-1.980.593	-1.977.802
Profit from ordinary operating activities		**674.736**	**236.073**
Finance income	2	36.167	3.208
Finance expences	3	-82.008	-20.059
Profit from ordinary activities before tax		**628.895**	**219.222**
Tax expense on ordinary activities	4	-138.071	-52.534
Profit		**490.824**	**166.688**

Proposed distribution of results			
Retained earnings		490.824	166.688
		490.824	**166.688**

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Assets			
Completed development projects	5	2.179.657	2.347.418
Acquired intangible assets	6	2.779.200	4.295.132
Intangible assets		**4.958.857**	**6.642.550**
Fixtures, fittings, tools and equipment	7	194.447	125.312
Leasehold improvements	8	0	1.438
Property, plant and equipment		**194.447**	**126.750**
Long-term investments in group enterprises	9	24.811.499	0
Investments		**24.811.499**	**0**
Fixed assets		**29.964.803**	**6.769.300**
Short-term trade receivables		6.637.132	5.786.125
Short-term receivables from group enterprises		17.052.190	32.464.593
Short-term tax receivables		504.956	1.252.000
Deferred income		647.553	412.936
Receivables		**24.841.831**	**39.915.654**
Cash and cash equivalents		**6.374.808**	**12.402.278**
Current assets		**31.216.639**	**52.317.932**
Assets		**61.181.442**	**59.087.232**

Wolters Kluwer

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Liabilities and equity			
Contributed capital	10	500.000	500.000
Retained earnings	11	39.514.555	39.023.731
Equity		**40.014.555**	**39.523.731**
Provisions for deferred tax	12	85.342	68.315
Provisions		**85.342**	**68.315**
Deffered income		13.668.890	12.650.565
Trade payables		319.096	425.141
Payables to group enterprises		290.895	0
Other payables		6.802.664	6.419.480
Short-term liabilities other than provisions		**21.081.545**	**19.495.186**
Liabilities other than provisions within the business		**21.081.545**	**19.495.186**
Liabilities and equity		**61.181.442**	**59.087.232**

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Notes

	2017	2016
1. Employee benefits expense		
Wages and salaries	15.322.628	14.280.271
Post-employement benefit expense	995.320	1.014.347
Social security contributions	127.791	163.347
	16.445.739	**15.457.965**
Average number of employees	25	24
2. Finance income		
Other finance income	36.167	3.208
	36.167	**3.208**
3. Finance expenses		
Other finance expenses	82.008	20.059
	82.008	**20.059**
4. Tax expense		
Taxation on operating income	121.044	52.534
Deferred taxation	17.027	0
	138.071	**52.534**
5. Completed development projects		
Cost at the beginning of the year	8.751.443	8.751.443
Addition during the year, incl. improvements	184.400	0
Cost at the end of the year	**8.935.843**	**8.751.443**
Amortisation at the beginning of the year	-6.404.025	-6.051.865
Amortisation for the year	-352.161	-352.160
Impairment losses and amortisation at the end of the year	**-6.756.186**	**-6.404.025**
Carrying amount at the end of the year	**2.179.657**	**2.347.418**

Notes

	2017	2016
6. Acquired intangible assets		
Cost at the beginning of the year	9.523.725	9.523.725
Cost at the end of the year	**9.523.725**	**9.523.725**
Amortisation at the beginning of the year	-5.228.593	-3.712.656
Amortisation for the year	-1.515.932	-1.515.937
Impairment losses and amortisation at the end of the year	**-6.744.525**	**-5.228.593**
Carrying amount at the end of the year	**2.779.200**	**4.295.132**
7. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	1.646.842	1.560.312
Addition during the year, incl. improvements	180.197	86.530
Cost at the end of the year	**1.827.039**	**1.646.842**
Depreciation at the beginning of the year	-1.521.530	-1.421.201
Depreciation for the year	-111.062	-100.329
Impairment losses and depreciation at the end of the year	**-1.632.592**	**-1.521.530**
Carrying amount at the end of the year	**194.447**	**125.312**
8. Leasehold improvements		
Cost at the beginning of the year	46.852	46.852
Cost at the end of the year	**46.852**	**46.852**
Depreciation at the beginning of the year	-45.414	-36.039
Depreciation for the year	-1.438	-9.375
Impairment losses and depreciation at the end of the year	**-46.852**	**-45.414**
Carrying amount at the end of the year	**0**	**1.438**
9. Long-term investments in group enterprises		
Cost at the beginning of the year	0	0
Addition during the year, incl. improvements	24.811.499	0
Cost at the end of the year	**24.811.499**	**0**
Carrying amount at the end of the year	**24.811.499**	**0**

Group enterprises:

Name:	Ownership	Profit for the year (TDKK)	Equity (TDKK)
Focus IT a/s, Svendborg, Denmark	100%	2.157.611	3.254.454

Notes

	2017	2016

10. Contributed capital

	2017	2016
Balance at the beginning of the year	500.000	500.000
Balance at the end of the year	**500.000**	**500.000**

The share capital has remained unchanged for the last 5 years.

11. Retained earnings

	2017	2016
Balance at the beginning of the year	39.023.731	38.857.043
Additions during the year	490.824	166.688
Balance at the end of the year	**39.514.555**	**39.023.731**

12. Provisions for deferred tax

	2017	2016
Balance at the beginning of the year	68.315	15.781
Additions during the year	17.027	52.534
Balance at the end of the year	**85.342**	**68.315**

13. Contingent liabilities

The company has liabilities related to rented premises and leased copymachines, cars etc. of TDKK 652 hereof TDKK 630 within 1 year (2016 TDKK 590).

14. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

15. Related parties

Wolters Kluwer Danmark A/S's related parties are:

Excercising control
Wolters Kluwer International Holding nv.
Zuidpoolsingel 2
2400 BA Alphen aun den Rijn
Holland
Which holds 100% of the shares

Other related parties, with the company has had transactions
Wolters Kluwer Sverige AB
Wartvinges väg 39
112 51 Stockholm
Sverige

Focus IT a/s
Fåborgvej 65A
5700 Svendborg
Denmark

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Peter Alnor
Adm. direktør
On behalf of: Peter Alnor
Serial number: CVR:13386293-RID:21625171
IP: 194.140.240.2
2018-06-04 11:50:15Z
NEM ID

Peter Alnor
Bestyrelsesmedlem
On behalf of: Peter Alnor
Serial number: CVR:13386293-RID:21625171
IP: 194.140.240.2
2018-06-04 11:50:15Z
NEM ID

KATARINA THÖRNQVIST
Bestyrelsesformand
On behalf of: Katarina Thörnqvist
Serial number: 19650724xxxx
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Andrea Fiene
Bestyrelsesmedlem
On behalf of: Andrea Fiene
Serial number: 19700507xxxx
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2018-06-05 07:33:15Z
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KATARINA THÖRNQVIST
Dirigent
On behalf of: Katarina Thörnqvist
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IP: 194.140.240.2
2018-06-05 12:57:24Z
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