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**KSD Software Denmark ApS
Central Business Registration No
24224252
Naverland 2, 14
DK-2600 Glostrup**

Annual report 2015/16

The Annual General Meeting adopted the annual report on 12.05.2016

Chairman of the General Meeting


Name: Thomas Weitemeyer

Member of Deloitte Touche Tohmatsu Limited

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Entity details

Entity

**KSD Software Denmark ApS
Naverland 2, 14
DK-2600 Glostrup**

**Central Business Registration No: 24224252
Registered in: Albertslund
Financial year: 01.02.2015 - 31.01.2016**

Executive Board

**John Scott Pagan
Allan Brett**

Auditors

**Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C**

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of KSD Software Denmark ApS for the financial year 01.02.2015 - 31.01.2016.

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 Entity's financial position at 31.01.2016 and of the results of its operations for the financial year 01.02.2015 - 31.01.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.02.2015 - 31.01.2016 as complied with. We also recommend to the Annual General Meeting that the financial statements for the next financial year not be audited.

We recommend the annual report for adoption at the Annual General Meeting.

Waterloo, ON

Glostrup, 12.05.2016

Executive Board

John Scott Pagan

Allan Brett

The independent auditor's compilation report

To Management of KSD Software Denmark ApS

We have compiled the financial statements of KSD Software Denmark ApS for the financial year 01.02.2015 - 31.01.2016 based on the Entity's bookkeeping records and other information Management has provided.

The financial statements comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR - Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 12.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Flemming Larsen
State Authorised Public
Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Company's primary activities have been sale and related service of software for the booking of transport and freight forwarding, as well as document management and customs clearance procedures, etc in connection with transport and shipping. The software sold has been developed by the Parent and other sister companies. On 31 December 2015, The Company sold its activities to Descartes Systems Group AB, Sweden's Danish Branch. After the sale of activities, the Company is without activity.

Development in activities and finances

Profit for the year amounts to DKK 2,305 thousand, after which equity amounts to DKK 894 thousand. Profit for the year is affected by a gain of DKK 1,606 thousand which occurred due to the fact that the Company has sold its activities to a group company. After the sale, the Company is without activity and is expected to be liquidated in the near future.

Events after the balance sheet date

Apart from the matters mentioned above, no events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, intercompany management fees and external expenses.

Accounting policies

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made and risk has passed to the buyer.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

Amortisation, depreciation and impairment losses

Depreciation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to equity.

Accounting policies

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as financing costs are recognised in the income statement as incurred.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income statement for 2015/16

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Gross profit		1.942.021	1.555.312
Staff costs	1	(1.195.670)	(1.469.052)
Depreciation, amortisation and impairment profit	2	1.602.499	(2.477)
Operating profit/loss		2.348.850	83.783
Other financial income		43.599	0
Other financial expenses		(20.473)	(206.182)
Profit/loss from ordinary activities before tax		2.371.976	(122.399)
Tax on profit/loss from ordinary activities		(66.478)	0
Profit/loss for the year		<u>2.305.498</u>	<u>(122.399)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>2.305.498</u>	<u>(122.399)</u>

Balance sheet at 31.01.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Other fixtures and fittings, tools and equipment		0	12.807
Property, plant and equipment	3	<u>0</u>	<u>12.807</u>
Deposits		0	43.500
Fixed asset investments		<u>0</u>	<u>43.500</u>
Fixed assets		<u>0</u>	<u>56.307</u>
Trade receivables		0	813.771
Contract work in progress		0	21.630
Receivables from group enterprises		0	248.006
Prepayments		0	45.273
Receivables		<u>0</u>	<u>1.128.680</u>
Cash		<u>979.685</u>	<u>2.613.297</u>
Current assets		<u>979.685</u>	<u>3.741.977</u>
Assets		<u>979.685</u>	<u>3.798.284</u>

Balance sheet at 31.01.2016

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Contributed capital		130.000	130.000
Retained earnings		764.115	(1.541.383)
Equity		<u>894.115</u>	<u>(1.411.383)</u>
Prepayments received from customers		0	1.341.943
Trade payables		0	19.805
Debt to group enterprises		85.570	3.071.594
Other payables	4	0	776.325
Current liabilities other than provisions		<u>85.570</u>	<u>5.209.667</u>
Liabilities other than provisions		<u>85.570</u>	<u>5.209.667</u>
Equity and liabilities		<u>979.685</u>	<u>3.798.284</u>
Unrecognised rental and lease commitments	5		
Ownership	6		

Statement of changes in equity for 2015/16

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	130.000	(1.541.383)	(1.411.383)
Profit/loss for the year	0	2.305.498	2.305.498
Equity end of year	130.000	764.115	894.115

Notes

	<u>2015/16</u> DKK	<u>2014/15</u> DKK
1. Staff costs		
Wages and salaries	1.056.304	1.176.144
Pension costs	111.852	132.991
Other social security costs	15.459	9.109
Other staff costs	<u>12.055</u>	<u>150.808</u>
	<u>1.195.670</u>	<u>1.469.052</u>
	<u>2015/16</u> DKK	<u>2014/15</u> DKK
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	3.516	2.477
Profit/loss from sale of intangible assets and property, plant and equipment	<u>(1.606.015)</u>	<u>0</u>
	<u>(1.602.499)</u>	<u>2.477</u>
		<u>Other fixtures and fittings, tools and equipment</u> DKK
3. Property, plant and equipment		
Cost beginning of year		16.791
Disposals		<u>(16.791)</u>
Cost end of year		<u>0</u>
Depreciation and impairment losses beginning of the year		(3.984)
Reversal regarding disposals		<u>3.984</u>
Depreciation and impairment losses end of the year		<u>0</u>
Carrying amount end of year		<u>0</u>
	<u>2015/16</u> DKK	<u>2014/15</u> DKK
4. Other short-term payables		
VAT and duties	0	423.859
Wages and salaries, personal income taxes, social security costs, etc. payable	0	286.466
Other costs payable	<u>0</u>	<u>66.000</u>
	<u>0</u>	<u>776.325</u>

Notes

	<u>2015/16</u> <u>DKK</u>	<u>2014/15</u> <u>DKK</u>
5. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	<u>0</u>	<u>39.288</u>

6. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

KSD Software Norway AS, Cort Adellers gate 16, Oslo, Norway