

Zalaris HR Services Danmark A/S

Høje Taastrup Boulevard 33, 1., 2630 Taastrup

CVR no. 25 50 70 61

Annual report 2017

Approved at the Company's annual general meeting on 31 May 2018

Chairman:



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Zalaris HR Services Danmark A/S for the financial year 1 January - 31 December 2017.

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 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.

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

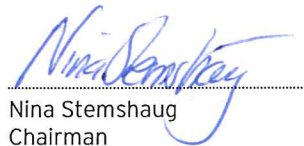
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 May 2018
Executive Board:

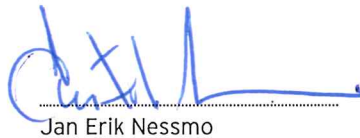


Hans Petter Mellerud

Board of Directors:



Nina Stemshaug
Chairman



Jan Erik Nessmo



Hans Petter Mellerud

Independent auditor's report

To the shareholder of Zalaris HR Services Danmark A/S

Opinion

We have audited the financial statements of Zalaris HR Services Danmark A/S for the financial year 1 January - 31 December 2017, 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 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We 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 the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the 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.

Independent auditor's report

- 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 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 the Management's review

Management is responsible for the Management's review.

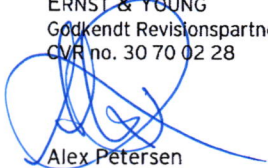
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Alex Petersen
State Authorised Public Accountant
MNE no.: mne28604

Management's review

Company details

Name	Zalaris HR Services Danmark A/S
Address, Postal code, City	Høje Taastrup Boulevard 33, 1., 2630 Taastrup
CVR no.	25 50 70 61
Established	15 July 2000
Registered office	Taastrup
Financial year	1 January - 31 December
Website	www.zalaris.com
Board of Directors	Nina Stemshaug, Chairman Jan Erik Nessmo Hans Petter Mellerud
Executive Board	Hans Petter Mellerud
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Nordea

Management's review

Business review

The Company renders public services and service to companies in the area of outsourced HR and payroll services.

Financial review

The income statement for 2017 shows a profit of DKK 6,187,381 against a profit of DKK 1,641,784 last year, and the balance sheet at 31 December 2017 shows equity of DKK 10,840,830.

Research and development activities

In order to provide services in the area of outsourced HR and payroll, the Company develops customer specific projects which are capitalised in the balance sheet. These capitalised costs are held to develop specific customer solutions in order for the Company to provide the agreed services under the customer contracts. The development costs are therefore expected to generate future earnings under these customer agreements.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The demand for the Company's outsourcing of payroll and staff services is still growing. The market development is expected to continue throughout 2018. The most significant reasons for the increased demand are the focus in the market on cost reduction and the increased focus on efficient staff management, being enabled by the implementation of Zalaris' systems and obtaining of qualitative improvements.

Zalaris maintains its strategic objectives from 2017 with the following priorities for 2018:

1. Positive cash flow
2. Pre-tax profit
3. Growth

Zalaris is focusing on improving the operational processes in the outsourcing deliveries. By doing so, the objective is to ensure efficiency which can contribute to the quality assurance and cost reductions in the deliveries to our existing customers. This is an important element in our objective to extend existing contracts and to strengthen our competitiveness in the market.

Management expects a positive influx of new customers.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2017	2016
	Gross margin	37,052,198	31,647,433
2	Staff costs	-26,928,099	-27,343,367
3	Amortization/depreciation of intangible assets and property, plant and equipment	-2,066,096	-2,069,473
	Profit before net financials	8,058,003	2,234,593
4	Financial income	76,631	96,306
	Financial expenses	-200,297	-225,033
	Profit before tax	7,934,337	2,105,866
5	Tax for the year	-1,746,956	-464,082
	Profit for the year	<u>6,187,381</u>	<u>1,641,784</u>
	Recommended appropriation of profit		
	Reserve for development costs	310,605	1,754,985
	Retained earnings/accumulated loss	5,876,776	-113,201
		<u>6,187,381</u>	<u>1,641,784</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2017	2016
	ASSETS		
	Fixed assets		
6	Intangible assets		
	Completed development projects	3,139,612	5,007,988
	Acquired intangible assets	234,573	391,198
	Development projects in progress and prepayments for intangible assets	<u>1,003,428</u>	<u>425,811</u>
		<u>4,377,613</u>	<u>5,824,997</u>
7	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	<u>52,530</u>	<u>93,625</u>
		<u>52,530</u>	<u>93,625</u>
8	Investments		
	Investments in group entities, net asset value	<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
	Total fixed assets	<u>4,430,143</u>	<u>5,918,622</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	6,696,728	6,446,623
	Receivables from group entities	10,106,906	3,511,457
	Deferred tax assets	0	520,761
	Other receivables	38,299	27,689
	Deferred income	<u>12,289</u>	<u>23,641</u>
		<u>16,854,222</u>	<u>10,530,171</u>
9	Cash	<u>8,016,295</u>	<u>4,972,509</u>
	Total non-fixed assets	<u>24,870,517</u>	<u>15,502,680</u>
	TOTAL ASSETS	<u>29,300,660</u>	<u>21,421,302</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2017</u>	<u>2016</u>
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	501,000	501,000
	Reserve for development costs	2,065,590	1,754,985
	Retained earnings	<u>8,274,240</u>	<u>2,397,464</u>
	Total equity	<u>10,840,830</u>	<u>4,653,449</u>
	Provisions		
	Deferred tax	<u>204,641</u>	<u>0</u>
	Total provisions	<u>204,641</u>	<u>0</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	700,722	1,202,220
	Payables to group entities	949,117	2,257,894
	Income taxes payable	907,805	0
	Joint taxation contribution payable	113,749	0
11	Other payables	13,936,485	9,744,219
	Deferred income	<u>1,647,311</u>	<u>3,563,520</u>
		<u>18,255,189</u>	<u>16,767,853</u>
	Total liabilities other than provisions	<u>18,255,189</u>	<u>16,767,853</u>
	TOTAL EQUITY AND LIABILITIES	<u>29,300,660</u>	<u>21,421,302</u>

- 1 Accounting policies
- 12 Contractual obligations and contingencies, etc.
- 13 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	501,000	0	2,510,665	3,011,665
Transfer through appropriation of profit	0	1,754,985	-113,201	1,641,784
Equity at 1 January 2017	501,000	1,754,985	2,397,464	4,653,449
Transfer through appropriation of profit	0	310,605	5,876,776	6,187,381
Equity at 31 December 2017	<u>501,000</u>	<u>2,065,590</u>	<u>8,274,240</u>	<u>10,840,830</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Zalaris HR Services Danmark A/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Referring to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (percentage-of-completion method).

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

Gross margin

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue' to and including 'Other external expenses' are consolidated into one item designated 'Gross margin'.

Other external expenses

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	5 years
Acquired intangible assets	3-5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further amortisation charges are recognised. In case of changes in the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Other fixtures and fittings, tools and equipment	3-5 years
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The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Income from investments in subsidiaries

The item includes the Company's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, realised and unrealised capital and exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Intangible assets comprise other acquired rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period follows the customer agreements, which typically is 5 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments in subsidiaries

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Subsidiaries with a negative net asset value are measured at DKK 0, and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the entity's deficit. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method in so far as the carrying amount exceeds the acquisition cost.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

Intangible assets, property, plant and equipment and investments in subsidiaries are subject to an annual test of evidence of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is evidence of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

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.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash and cash equivalents comprise cash which is subject to only insignificant risks of changes in value. Bank accounts (used for disbursement of client payroll payments) are recognised as cash at bank.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for the affiliates' income taxes vis-à-vis the tax authorities as the affiliates pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivable or payable.

Other payables

Other payables are measured at net realisable value.

Amount recognised in the bank accounts (used for disbursement of client payroll payments) are recognised as current liabilities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

DKK	2017	2016
2 Staff costs		
Wages/salaries	23,131,862	23,735,389
Pensions	2,412,157	2,304,962
Other social security costs	174,656	203,068
Other staff costs	1,209,424	1,099,948
	<u>26,928,099</u>	<u>27,343,367</u>
Average number of full-time employees	<u>40</u>	<u>41</u>
3 Amortisation/depreciation of intangible assets and property, plant and equipment		
Amortisation of intangible assets	2,025,001	2,029,764
Depreciation of property, plant and equipment	41,095	39,709
	<u>2,066,096</u>	<u>2,069,473</u>
4 Financial income		
Interest received from group entities	11,642	24,774
Other financial income	64,989	71,532
	<u>76,631</u>	<u>96,306</u>
5 Tax for the year		
Estimated tax charge for the year	1,021,554	0
Deferred tax adjustments in the year	725,402	464,082
	<u>1,746,956</u>	<u>464,082</u>

Financial statements 1 January - 31 December

Notes to the financial statements

6 Intangible assets

DKK	Completed development projects	Acquired intangible assets	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2017	15,878,335	3,411,644	425,811	19,715,790
Additions in the year	0	0	577,617	577,617
Cost at 31 December 2017	15,878,335	3,411,644	1,003,428	20,293,407
Impairment losses and amortisation at 1 January 2017	10,870,347	3,020,446	0	13,890,793
Amortisation/depreciation in the year	1,868,376	156,625	0	2,025,001
Impairment losses and amortisation at 31 December 2017	12,738,723	3,177,071	0	15,915,794
Carrying amount at 31 December 2017	3,139,612	234,573	1,003,428	4,377,613

Financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK	Other fixtures and fittings, tools and equipment
Cost at 1 January 2017	1,283,332
Cost at 31 December 2017	1,283,332
Impairment losses and depreciation at 1 January 2017	1,189,707
Amortisation/depreciation in the year	41,095
Impairment losses and depreciation at 31 December 2017	1,230,802
Carrying amount at 31 December 2017	52,530

8 Investments

DKK	Investments in group entities, net asset value
Cost at 1 January 2017	125,000
Cost at 31 December 2017	125,000
Value adjustments at 1 January 2017	-125,000
Value adjustments at 31 December 2017	-125,000
Carrying amount at 31 December 2017	0

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries				
Zalaris Consulting Danmark ApS	Danmark	100.00%	-1,855,927	643,560

9 Cash

Cash comprises bank deposits and payments from customers to whom the Company renders payroll administration services.

At 31. december 2017, restrictions on the use of balances of cash with a carrying amount of DKK 8,000,949 exists, as these are held by the Company on behalf of third party customers.

10 Share capital

The Company's share capital comprises 5,010 class A shares of DKK 100.00 each.

The Company's share capital has remained DKK 501,000 over the past 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

11 Other payables		
Other payables	13,936,485	9,744,219
	<u>13,936,485</u>	<u>9,744,219</u>

At 31 December 2017, DKK 8,000,949 of other payables consists of payables related to client accounts. Refer to note 9.

12 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK	2017	2016
Guarantee commitments	<u>388,969</u>	<u>388,969</u>
	<u>388,969</u>	<u>388,969</u>

Other contingent liabilities include a bank guarantee provided to the lessor in respect of the Company's office premises.

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities liable for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

Other financial obligations

Other rent and lease liabilities:

DKK	2017	2016
Rent and lease liabilities	<u>2,523,088</u>	<u>3,443,501</u>

13 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Zalaris ASA	Norway	Hovfaret 4b, 0275 Oslo, Norge/Norway