
Templafy ApS

Østergade 36, 3., DK-1100 København K

Annual Report for 1 January - 31 December 2015

CVR No 25 66 29 46

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20/5 2016

Jesper Theill Eriksen
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Templafy ApS for the financial year 1 January - 31 December 2015.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

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

Copenhagen, 20 May 2016

Executive Board

Christian Lund
CEO

Henrik Printzlau
CEO

Board of Directors

Jesper Theill Eriksen
Chairman

Jeppe Schytte-Hansen

Lars Andersen

Preben Damgaard

Independent Auditor's Report on the Financial Statements

To the Shareholders of Templafy ApS

Report on the Financial Statements

We have audited the Financial Statements of Templafy ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Copenhagen, 20 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Carsten Blicher

statsautoriseret revisor

Company Information

The Company

Templafy ApS
Østergade 36, 3.
DK-1100 København K

Telephone: + 45 36990102
E-mail: sales@templafy.com
Website: www.templafy.com

CVR No: 25 66 29 46
Financial period: 1 January - 31 December
Municipality of reg. office: København

Board of Directors

Jesper Theill Eriksen , Chairman
Jeppe Schytte-Hansen
Lars Andersen
Preben Damgaard

Executive Board

Christian Lund
Henrik Printzlau

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Bankers

Danske Bank

Management's Review

Financial Statements of Templafy ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

The object of the company is to develop and sell software solutions.

Templafy is the simple way to manage and share company templates. On-brand, legally compliant and personalized for each employee, saving time for all areas of business. The software empower Communication and Compliance teams to help their companies stay on-brand, and offer IT teams an easy way to migrate template management to the cloud.

Development in the year

The income statement of the Company for 2015 shows a loss of DKK 6,136,709, and at 31 December 2015 the balance sheet of the Company shows equity of DKK 12,361,708.

In September 2015 Templafy successfully secured venture capital in a round led by SEED Capital with participation from Sunstone Capital, Damgaard Company A/S (Preben Damgaard) and Jesper Theill Eriksen. The additional capital has gradually been deployed in investments around sales & marketing. Also, we have continuously deployed significant investments in enterprise-grade technology improvements, integrations and end-user experience. The main strategic focus to further strengthen Templafy's role as market leader within cloud based template management and document content management and to manifest our status as a preferred partner to Microsoft within our business area.

During the course of 2015 Templafy grew its staff to 27.

Strategy and objectives

Targets and expectations for the year ahead

The main objective for Templafy in 2016 is to manifest our position as market leader within cloud based template management and document content management and continue to significantly grow its international customer base and user adoption. As part of this ambition there is a dedicated focus on attracting top talent and strategic partners.

Research and development

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Management's Review

Unusual events

The financial position at 31 December 2015 of the Company and the results of the activities of the Company for the financial year for 2015 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2015 DKK	2014 DKK
Gross profit/loss		-3.303.685	-1.506.060
Staff expenses	1	-3.431.509	-850.269
Profit/loss before financial income and expenses		-6.735.194	-2.356.329
Financial income	2	4.849	0
Financial expenses		-61.184	-31.500
Profit/loss before tax		-6.791.529	-2.387.829
Tax on profit/loss for the year	3	654.820	1.539.950
Net profit/loss for the year		-6.136.709	-847.879

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	0	0
Retained earnings	-6.136.709	-847.879
	-6.136.709	-847.879

Balance Sheet 31 December

Assets

	Note	2015 DKK	2014 DKK
Development projects in progress		9.772.711	3.148.404
Intangible assets	4	9.772.711	3.148.404
Fixed assets		9.772.711	3.148.404
Trade receivables		1.649.232	1.034.453
Other receivables		251.116	174.056
Deferred tax asset	6	0	768.591
Corporation tax		1.540.970	771.359
Receivables		3.441.318	2.748.459
Cash at bank and in hand		9.851.650	1.984.348
Currents assets		13.292.968	4.732.807
Assets		23.065.679	7.881.211

Balance Sheet 31 December

Liabilities and equity

	Note	2015 DKK	2014 DKK
Share capital		130.948	96.725
Retained earnings		12.230.760	4.403.771
Equity	5	12.361.708	4.500.496
Provision for deferred tax	6	133.301	0
Provisions		133.301	0
Credit institutions		5.778.486	1.551.420
Long-term debt	7	5.778.486	1.551.420
Credit institutions	7	4.073	17.709
Trade payables		1.255.375	811.844
Other payables		948.250	360.982
Deferred income	7	2.584.486	638.760
Short-term debt		4.792.184	1.829.295
Debt		10.570.670	3.380.715
Liabilities and equity		23.065.679	7.881.211
Contingent assets, liabilities and other financial obligations	8		
Related parties and ownership	9		

Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	DKK	account	earnings	DKK
	DKK	DKK	DKK	DKK
Equity at 1 January	96.725	0	4.403.772	4.500.497
Cash capital increase	34.223	13.963.697	0	13.997.920
Transfer from share premium account	0	-13.963.697	13.963.697	0
Net profit/loss for the year	0	0	-6.136.709	-6.136.709
Equity at 31 December	130.948	0	12.230.760	12.361.708

Notes to the Financial Statements

1 Staff expenses

Wages and salaries	6.257.050	2.014.203
Pensions	188.300	105.763
Other social security expenses	63.143	17.070
Other staff expenses	59.499	327.680
	6.567.992	2.464.716
Transfer to production wages	-3.136.483	-1.614.447
	3.431.509	850.269
Average number of employees	10	4

2 Financial income

Other financial income	4.849	0
	4.849	0

3 Tax on profit/loss for the year

Current tax for the year	-1.556.712	-771.359
Deferred tax for the year	901.892	-768.591
	-654.820	-1.539.950

4 Intangible assets

	Development projects in progress
	DKK
Cost at 1 January	3.148.404
Additions for the year	6.624.307
Cost at 31 December	9.772.711
Impairment losses and amortisation at 1 January	0
Impairment losses and amortisation at 31 December	0
Carrying amount at 31 December	9.772.711

Notes to the Financial Statements

5 Equity

The share capital is broken down as follow:

	<u>Number</u>	<u>Nominal value</u> DKK
A-shares	80.000	80.000
B-shares	50.948	<u>50.948</u>
		<u>130.948</u>

The share capital has developed as follows:

	<u>2015</u> DKK	<u>2014</u> DKK
Share capital at 1 January	96.725	80.000
Capital increase	34.223	16.725
Capital decrease	<u>0</u>	<u>0</u>
Share capital at 31 December	<u>130.948</u>	<u>96.725</u>

6 Provision for deferred tax

Intangible assets	2.150.000	0
Tax loss carry-forward	-2.016.699	-768.591
Transferred to deferred tax asset	<u>0</u>	<u>768.591</u>
	<u>133.301</u>	<u>0</u>

Deferred tax has been provided at 22% corresponding to the current tax rate.

Deferred tax asset

Calculated tax asset	<u>0</u>	<u>768.591</u>
Carrying amount	<u>0</u>	<u>768.591</u>

Notes to the Financial Statements

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

Between 1 and 5 years	5.778.486	1.551.420
Long-term part	<u>5.778.486</u>	<u>1.551.420</u>
Other short-term debt to credit institutions	4.073	17.709
	<u>5.782.559</u>	<u>1.569.129</u>

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

There are no security and contingent liabilities at 31 December 2015.

Notes to the Financial Statements

9 Related parties and ownership

Basis

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

CLS Holding International ApS, København
HPZ Holding ApS, København
Schytte-Hansen Holding ApS, Frederiksberg
JAB Holding International ApS, København
MHM Holding International ApS, Hellerup
Sunstone Technology Ventures III K/S, København
SEED Capital Denmark III K/S, Kgs. Lyngby
PRE-SEED Innovation A/S, Kgs. Lyngby

Accounting Policies

Basis of Preparation

The Annual Report of Templafy ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

Accounting Policies

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue from sales of software subscriptions are recognised on a straight-line basis over the subscription period starting when delivery and risk transition has taken place.

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

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Other external expenses also include research and development costs that do not qualify for capitalisation.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Intangible assets

Receivables

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

Accounting Policies

Equity

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 are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

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