

EXPERIS A/S
Oldenburg Alle 3, 2. tv.
2630 Taastrup
Business Registration No
26183162

Annual report 2017

The Annual General Meeting adopted the annual report on 12.06.2018

Chairman of the General Meeting

Name: Anders Bergqvist

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Entity details

Entity

EXPERIS A/S

Oldenburg Alle 3, 2. tv.

2630 Taastrup

Central Business Registration No (CVR): 26183162

Registered in: Høje Taastrup

Financial year: 01.01.2017 - 31.12.2017

Board of Directors

Paul Hart, Chairman

Anders Bergqvist

Lars Bertil Forseth

Executive Board

Lars Bertil Forseth, Managing Director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of EXPERIS A/S for the financial year 01.01.2017 - 31.12.2017.

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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

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

Copenhagen, 12.06.2018

Executive Board

Lars Bertil Forseth
Managing Director

Board of Directors

Paul Hart
Chairman

Anders Bergqvist

Lars Bertil Forseth

Independent auditor's report

To the shareholder of EXPERIS A/S

Opinion

We have audited the financial statements of EXPERIS A/S for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 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 these 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:

Independent auditor's report

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 12.06.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Kim Takata Mücke
State Authorised Public Accountant
Identification No (MNE) mne10944

Management commentary

Primary activities

Experis A/S is an IT consultancy and staffing company which provides consultants for project employment and permanent positions based on High Value Based staffing solutions.

Our vision is to be known as the best provider of solutions within our field. This vision will be supported by our strategy to deliver better services and offer competitive prices and improved provision of consultants and permanent staff.

Development in activities and finances

The Company's income statement for 2017 shows a profit of DKK 477k before tax, and the Company's balance sheet at 31 December 2017 shows an equity of DKK 7.093k.

Uncertainty relating to recognition and measurement

Management believes that the income statement for the year gives a fair presentation of the Company's development and that no uncertainty exists which has impacted the basis for the development and performance.

Outlook

In 2018, we expect further improvement in customer investments in new IT solutions and consequently an increased demand for our IT consultants.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2017

	<u>Notes</u>	<u>2017</u> <u>DKK'000</u>	<u>2016</u> <u>DKK'000</u>
Revenue		106.833	124.463
Production costs	1	<u>(89.961)</u>	<u>(96.486)</u>
Gross profit/loss		16.872	27.977
Distribution costs		162	(647)
Administrative expenses	1	<u>(16.496)</u>	<u>(27.640)</u>
Operating profit/loss		538	(310)
Other financial income	2	33	87
Other financial expenses	3	<u>(94)</u>	<u>(99)</u>
Profit/loss before tax		477	(322)
Tax on profit/loss for the year	4	<u>0</u>	<u>(2.064)</u>
Profit/loss for the year		<u>477</u>	<u>(2.386)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>477</u>	<u>(2.386)</u>
		<u>477</u>	<u>(2.386)</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Other fixtures and fittings, tools and equipment		8	41
Property, plant and equipment	5	<u>8</u>	<u>41</u>
Fixed assets		<u>8</u>	<u>41</u>
Trade receivables		24.126	25.582
Receivables from group enterprises		7.814	225
Other receivables		79	133
Prepayments		8.172	11.510
Receivables		<u>40.191</u>	<u>37.450</u>
Cash		<u>0</u>	<u>1.205</u>
Current assets		<u>40.191</u>	<u>38.655</u>
Assets		<u>40.199</u>	<u>38.696</u>

Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Contributed capital	6	500	500
Retained earnings		<u>6.593</u>	<u>6.116</u>
Equity		<u>7.093</u>	<u>6.616</u>
Bank loans		8.191	0
Trade payables		8.468	9.128
Payables to group enterprises		803	7.267
Other payables	7	<u>15.644</u>	<u>15.685</u>
Current liabilities other than provisions		<u>33.106</u>	<u>32.080</u>
Liabilities other than provisions		<u>33.106</u>	<u>32.080</u>
Equity and liabilities		<u>40.199</u>	<u>38.696</u>
Contingent liabilities	8		
Group relations	9		

Statement of changes in equity for 2017

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	500	6.116	6.616
Profit/loss for the year	0	477	477
Equity end of year	500	6.593	7.093

Notes

	2017	2016
	DKK'000	DKK'000
1. Staff costs		
Wages and salaries	94.364	106.813
Pension costs	589	942
Other social security costs	747	260
Other staff costs	2.304	2.057
	98.004	110.072
Average number of employees	19	23

Wages and salaries, pension costs, other social security costs and other staff costs includes permanent and temporary employees. Other staff costs includes freelance employees.

The average number of employees represent permanent employees only.

According to the Danish Financial Statements Act §98B, subsection 3, number 2 there has not been given information about remuneration to the management.

	2017	2016
	DKK'000	DKK'000
2. Other financial income		
Other interest income	0	1
Exchange rate adjustments	33	86
	33	87
	2017	2016
	DKK'000	DKK'000
3. Other financial expenses		
Financial expenses from group enterprises	50	36
Other interest expenses	17	24
Exchange rate adjustments	27	39
	94	99

Notes

	2017	2016
	DKK'000	DKK'000
4. Tax on profit/loss for the year		
Change in deferred tax	0	2.064
	0	2.064

In 2016, Management decided not to recognize the deferred tax asset in the balance sheet. Management estimates that it is uncertain whether the Company within the next 2-3 years will generate a positive taxable income, where the deferred tax can be utilized. Therefore, in 2016 the deferred tax asset from previous years was expensed in the income statement.

	Other fixtures and fittings, tools and equipment DKK'000
5. Property, plant and equipment	
Cost beginning of year	311
Cost end of year	311
Depreciation and impairment losses beginning of year	(270)
Depreciation for the year	(33)
Depreciation and impairment losses end of year	(303)
Carrying amount end of year	8

6. Contributed capital

Share capital consists of 500 shares at DKK 1,000. The shares have not been divided into classes.

	2017	2016
	DKK'000	DKK'000
7. Other payables		
VAT and duties	1.783	846
Wages and salaries, personal income taxes, social security costs, etc payable	878	1.199
Holiday pay obligation	3.121	4.014
Other costs payable	9.862	9.626
	15.644	15.685

Notes

8. Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Manpower Europe Holdings ApS serving as the administration company. The Company is, therefore, jointly and severally liable from 1 July 2012 for obligations, if any, relating to withholding tax on interest, royalties and dividend for the jointly taxed companies and from 1 January 2013, for income taxes for the jointly taxed companies.

9. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Manpower Inc., 100 Manpower Place, Milwaukee, Wisconsin, 53212, USA

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 with addition of certain provisions for reporting class C.

The accounting policies applied to 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 rate 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.

Income statement

Revenue

Revenue is recognised in the income statement concurrently with delivery of services. Recruitment fees are recognised in the income statement when the ultimately right thereto is acquired. Revenue is recognised net of VAT, duties and sales discount.

Production costs

Production costs comprise direct payroll costs held to achieve revenue for the financial year.

Accounting policies

Distribution costs

Distribution costs comprise costs for consultants and marketing.

Administrative costs

Administrative costs comprise expenses incurred for management and administration of the Company, including expenses for the administrative staff, stationery and office supplies as well as depreciation and amortisation.

Other financial income

Other financial income comprises interest income and realised and unrealised capital gains on transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses and realised and unrealised capital losses on transactions in foreign currencies.

Tax on profit/loss for the year

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 entries directly in equity.

The Company is part of a joint taxation. Tax on the jointly taxed income is allocated in its entirety among the Danish companies comprised by the joint taxation.

Balance sheet

Property, plant and equipment

Other 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 over 3 years on basis of the estimated useful lives of the assets:

Profit and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as adjustment to depreciation and impairment losses, or under other operational income if selling price exceeds original cost.

Receivables

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

Accounting policies

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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