BUUS JENSEN
STATSAUTORISEREDE REVISORER

AS Solution A/S

Marielundvej 46 E, 2730 Herlev

Company reg. no. 26 90 96 86

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 16 May 2019.

Karsten Kielland
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Contents

Management's report

The board of directors and the managing director have today presented the annual report of AS Solution A/S for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Herlev, 27 February 2019

Managing Director

Sonny Schürer

Board of directors

Edward Barry Silverman Chairman	Sonny Schürer	Karsten Kielland

Independent auditor's report

To the shareholder of AS Solution A/S

Opinion

We have audited the annual accounts of AS Solution A/S for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section “Auditor’s responsibilities for the audit of the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management’s preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management’s review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management’s review and in that connection consider whether the management’s review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 27 February 2019

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Ulrik Nørskov	Michael Markussen
State Authorised Public Accountant	State Authorised Public Accountant
mne29456	mne34295

Company data

The company	AS Solution A/S Marielundvej 46 E 2730 Herlev	
	Company reg. no.	26 90 96 86
	Established:	10 December 2002
	Domicile:	Herlev, Denmark
	Financial year:	1 January 2018 - 31 December 2018
Board of directors	Edward Barry Silverman, Chairman Sonny Schürer Karsten Kielland	
Managing Director	Sonny Schürer	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	

Management's review

The principal activities of the company

The companys principal activities is security services and related activities.

Development in activities and financial matters

The results from ordinary activities after tax are T.DKK 5.848 against T.DKK 1.901 last year. The management consider the results satisfactory.

Own shares

The enterprise' holding of own shares is 150.000 shares of DKK 650.000 each, corresponding to 23 % of the contributed capital.

Accounting policies used

The annual report for AS Solution A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

In case the foreign group enterprises and associated enterprises meet the criteria for being independent units, the profit and loss accounts are translated by using an average exchange rate for the period in question, and the balance sheet items are translated by using the closing rate. Differences arising in connection with the translation of the equity of foreign group enterprises at the beginning of the year to the closing rate are recognised directly in the equity. The same goes for differences arising in connection with translation of the profit and loss accounts from average exchange rate to the closing rate.

At recognition of foreign group enterprises which are integrated units, the monetary items are translated by using the closing rate. Non monetary items are translated by using the exchange rate prevailing at the time of acquisition or at the time of the following depreciation or writedown of the asset. The items of the profit and loss account are translated by using the exchange rate prevailing at the date of the transaction. However, items in the profit and loss account deriving from non monetary items are translated by using historical prices.

Currency adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in the equity. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised in the equity.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, costs of sales, and other external costs.

Net turnover from the sale of services is recognised in the result concurrently with delivery of the services. Thus, the net turnover corresponds to the sales value of the completed services of the year (production method). Recognition at sales value requires that the total income, the total costs and the scope of completion on the balance sheet date can be determined reliably, and that it is likely that payment will be received by the company.

Costs of sales comprise costs for subcontractors, equipment etc.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, comprise depreciation for the year and gains and losses on disposal of tangible fixed assets.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Leasing contracts

At the first recognition in the balance sheet, leasing contracts concerning tangible fixed assets by which the company holds all essential risks and advantages attached to the proprietary right (financial leasing) are measured either at fair value or at the present value of the future leasing services, whichever value is lower. When calculating the present value, the internal interest rate of the leasing contract or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, financially leased assets are treated in the same way as other similar tangible assets.

The capitalised residual leasing liability is recognised in the balance sheet as a liability, and the interest part of the leasing contract is recognised in the profit and loss account over the term of the contract.

All other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Writedown of fixed assets

The book values of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Own shares

Purchase prices and sales prices of own shares are recognised directly in the equity. The capital reduction in connection with the cancellation of own shares reduces the share capital by an amount corresponding to the nominal value of the shares and increases the results brought forward respectively. The dividend of own shares is recognised directly in the equity under results brought forward.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

AS Solution A/S is jointly taxed with the Danish group companies and acts in this respect as the administration company. According to the rules of joint taxation, AS Solution A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Payable and receivable joint taxation contributions are recognised in the balance sheet as "Receivable corporate tax" or “Payable corporate tax".

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Capitalised residual leasing liabilities in connection with financial leasing contracts are recognised in the financial liabilities.

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

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account 1 January - 31 December

All amounts in DKK.

Note		2018	2017
	Gross profit	**23.514.454**	**18.312.988**
1	Staff costs	-16.618.736	-14.119.037
	Depreciation and writedown relating to tangible fixed assets	-829.925	-704.050
	Operating profit	**6.065.793**	**3.489.901**
2	Other financial income from group enterprises	620.930	418.389
	Other financial income	926.617	0
3	Other financial costs	-101.477	-1.462.942
	Results before tax	**7.511.863**	**2.445.348**
4	Tax on ordinary results	-1.664.058	-544.120
	Results for the year	**5.847.805**	**1.901.228**
	Proposed distribution of the results:		
	Allocated to results brought forward	5.847.805	1.901.228
	Distribution in total	**5.847.805**	**1.901.228**

Balance sheet 31 December

All amounts in DKK.

Note	Assets	2018	2017
	Fixed assets		
5	Other plants, operating assets, and fixtures and furniture	1.349.032	2.114.471
	Tangible fixed assets in total	1.349.032	2.114.471
6	Deposits	135.131	131.195
	Financial fixed assets in total	135.131	131.195
	Fixed assets in total	**1.484.163**	**2.245.666**
	Current assets		
	Trade debtors	3.746.938	4.224.968
	Amounts owed by group enterprises	14.985.440	12.702.867
	Tax receivables from group enterprises	34.166	44.616
	Other debtors	0	15.282
	Accrued income and deferred expenses	97.844	525.898
	Debtors in total	18.864.388	17.513.631
	Available funds	3.372.702	1.608.605
	Current assets in total	**22.237.090**	**19.122.236**
	Assets in total	**23.721.253**	**21.367.902**

Balance sheet 31 December

All amounts in DKK.

Note	Equity and liabilities	2018	2017
	Equity		
7	Contributed capital	650.000	650.000
8	Results brought forward	17.404.284	11.556.479
	Equity in total	**18.054.284**	**12.206.479**
	Provisions		
	Provisions for deferred tax	32.000	109.000
	Provisions in total	**32.000**	**109.000**
	Liabilities		
	Leasing liabilities	299.413	583.833
	Long-term liabilities in total	299.413	583.833
9	Liabilities	284.000	276.000
	Bank debts	0	352.792
	Prepayments received from customers	100.384	0
	Trade creditors	1.891.537	1.533.705
	Debt to group enterprises	21.797	2.709.724
	Corporate tax	1.777.556	563.637
	Tax payables to group enterprises	0	7.427
	Other debts	1.227.126	3.025.305
	Accrued expenses and deferred income	33.156	0
	Short-term liabilities in total	5.335.556	8.468.590
	Liabilities in total	**5.634.969**	**9.052.423**
	Equity and liabilities in total	**23.721.253**	**21.367.902**

10 Mortgage and securities

11 Contingencies

Notes

All amounts in DKK.

		2018	2017
1.	**Staff costs**		
	Salaries and wages	15.597.386	13.245.539
	Pension costs	362.074	344.092
	Other costs for social security	94.070	81.454
	Other staff costs	565.206	447.952
		16.618.736	**14.119.037**
	Average number of employees	41	36
2.	**Other financial income from group enterprises**		
	Interest, group enterprises	620.930	418.389
		620.930	**418.389**
3.	**Other financial costs**		
	Financial costs, group enterprises	57.565	117.410
	Other financial costs	43.912	1.345.532
		101.477	**1.462.942**
4.	**Tax on ordinary results**		
	Tax of the results for the year	1.741.058	527.120
	Adjustment for the year of deferred tax	-77.000	17.000
		1.664.058	**544.120**

Notes

All amounts in DKK.

		31/12 2018	31/12 2017
5.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2018	7.767.538	6.477.879
	Additions during the year	64.486	1.289.659
	Disposals during the year	-57.574	0
	Cost 31 December 2018	**7.774.450**	**7.767.538**
	Depreciation and writedown 1 January 2018	-5.653.067	-4.949.017
	Depreciation and writedown for the year	-829.925	-704.050
	Depreciation and writedown, assets disposed of	57.574	0
	Depreciation and writedown 31 December 2018	**-6.425.418**	**-5.653.067**
	Book value 31 December 2018	**1.349.032**	**2.114.471**
	Leased assets are included with a book value of	756.872	968.092
6.	**Deposits**		
	Cost 1 January 2018	131.195	127.374
	Additions during the year	3.936	3.821
	Cost 31 December 2018	**135.131**	**131.195**
	Book value 31 December 2018	**135.131**	**131.195**
7.	**Contributed capital**		
	Contributed capital 1 January 2018	650.000	650.000
		650.000	**650.000**

The share capital consists of 650.000 shares, each with a nominal value of DKK 1. No shares hold particular rights. Treasury shares consists of 150.000 shares, each with a nominal value of DKK 1.

Notes

All amounts in DKK.

	31/12 2018	31/12 2017
8. Results brought forward		
Results brought forward 1 January 2018	11.556.479	9.655.251
Profit or loss for the year brought forward	5.847.805	1.901.228
	17.404.284	**11.556.479**

9. Liabilities

	Instalments first year	Outstanding debt after 5 years	Debt in total 31 Dec 2018	Debt in total 31 Dec 2017
Leasing liabilities	284.000	0	583.413	859.833
	284.000	**0**	**583.413**	**859.833**

10. Mortgage and securities

Other plants, operating assets, fixtures and furniture, all representing a book value of T.DKK 757 at 31 December 2018 have been financed by means of financial leasing. At 31 December 2018, the liabilities of this financial leasing amount to T.DKK 583.

11. Contingencies

Contingent liabilities

	DKK in tousands
Leasing liabilities	220
Contingent liabilities in total	**220**

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

All amounts in DKK.

11. Contingencies (continued)

Joint taxation (continued)

The liability relating to obligations in connection with withholding tax on dividends, interest and royalties represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.