a-solutions A/S

Lyskær 8A, 2730 Herlev

CVR no. 27 04 79 47

Annual report
for the year 1 January - 31 December 2018

Approved at the Company's annual general meeting on 30 April 2019

Chairman:

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Building a better
working world

Contents

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 a-solutions A/S for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2018 and of the results of the Group's and the Company's operations for the financial year 1 January - 31 December 2018.

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.

Herlev, 30 April 2019
Executive Board:

Peter Nicolai Weiss

Board of Directors:

Jesper Jarlbæk Chairman	Lars Ankjer Jensen	Johnny Laursen

Independent auditor's report

To the shareholders of a-solutions A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of a-solutions A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2018, and of the results of the Group's and Parent Company's operations for the financial year 1 January - 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 (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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "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 Group 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 consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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.

Independent auditor's report

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 Group's and the Parent Company'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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

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

Copenhagen, 30 April 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Martin Alsbæk
State Authorised Public Accountant
mne28627

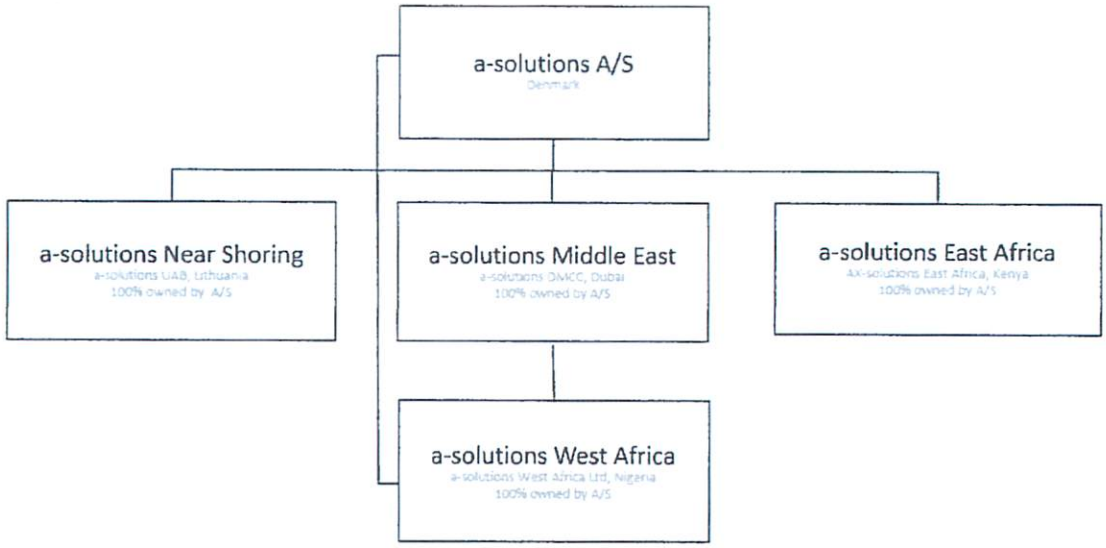
Management's review

Company details

Name	a-solutions A/S
Address, Postal code, City	Lyskær 8A, 2730 Herlev
CVR no.	27 04 79 47
Established	26 February 2003
Registered office	Herlev
Financial year	1 January - 31 December
Board of Directors	Jesper Jarlbæk, Chairman Lars Ankjer Jensen Johnny Laursen
Executive Board	Peter Nicolai Weiss
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Group chart



Financial highlights for the Group

USD	2018	PROFORMA 2018*	2017	2016	2015
Key figures					
Revenue	4.290.668	4.290.668	4.625.579	5.463.580	5.151.290
Gross margin	2.461.410	3.040.572	2.910.572	3.076.961	3.066.037
Ordinary operating profit/loss	(234.425)	344.737	48.679	309.444	460.996
Profit/loss for the year	**(245.397)**	**333.765**	**3.019**	**322.466**	**457.057**
Non-current assets	182.589	182.589	191.848	123.782	89.257
Current assets	1.330.112	1.909.274	1.130.054	1.033.729	1.296.134
Total assets	**1.512.701**	**2.091.863**	**1.321.901**	**1.157.511**	**1.385.391**
Investment in property, plant and equipment	0	0	0	90.976	50.079
Equity	324.879	904.041	570.576	685.198	780.275
Financial ratios					
Current ratio	112,0%	160,7%	150,3%	218,5%	214,2%
Equity ratio	21,5%	43,2%	43,1%	59,2%	56,3%
Return on equity	-54,8%	45,3%	0,5%	44,0%	71,2%
Average number of employee:	42	42	44	43	34

*2018 without provision for project in GCC

Financial ratios are calculated in accordance with Danish Finance Society's recommendations on the calculation of financial ratios. For terms and definitions, please see the accounting policies.

Management's review

Business review

The Company is principally engaged in delivery of technology consulting and services within Microsoft Dynamics 365 worldwide.

a-solutions has over the last three years focused the strategy on few selected industries and building competencies around these. In the Financial Service Industry (FSI), we see a wide space for the Microsoft Dynamics 365 ERP solutions. a-solutions has developed a framework targeted to extend the functionalities in an FSI core application to Dynamics 365 ERP, making sure that the processes around Finance Management, Procurement and HR can take place in Dynamics 365. Compared to similar solutions, this solution has a low TCO and is relatively fast to implement, while providing customers with access to the full Microsoft stack of products.

In 2018, a-solutions had the honor to be the selected partner for the globally biggest Microsoft Dynamics 365 implementation for a bank ever. The solution, which includes over 7500 Dynamics 365 licenses, went live with the first two of a total three phases in December 2018. The solution also includes the globally biggest Microsoft 365 Talent (recruitment part of the HR process) solution cross industries. We are very proud of these achievements. Unsurprisingly, this engagement has generated a lot of attention to a-solutions framework and the solution for the FSI industry.

Financial review

In 2018, a-solutions maintained its strategy focus.

The year saw growth particularly in the West African market. The general trend we see in the market place is that business is stable in Middle East and with an upgoing trend in Africa.

The business unit GCC however experienced a negative effect on profit/loss for the year due to impairment on a large work in progress project and receivables totaling an amount of tUSD 579.

The income statement for 2018 shows a loss of tUSD 245 against a profit of tUSD 3 last year, and the group balance sheet at 31 December 2018 shows an equity of tUSD 325. Therefore, management considers the financial development of the Company very unsatisfactory in 2018.

Effective 1 January 2018, the Group has changed the reporting currency from DKK to USD. Reference is made to note 1 for more details.

Events after the balance sheet date

From the date of the balance sheet and until today, no subsequent events as such have arisen which have had an impact on the annual report.

Outlook

a-solutions will continue to invest in a sustainable healthy growth, keeping the focus on the current strategy. 2019 is expected to be profitable.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	USD	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	Revenue	4,290,668	4,274,713	983,525	873,408
	Cost of sales	-613,816	-602,054	-445,244	-271,988
	Other operating income	43,044	3,926	43,044	3,926
	Other external expenses	-1,258,486	-769,940	-139,983	-223,646
	Gross margin	2,461,410	2,906,645	441,342	381,700
3	Staff costs	-2,596,397	-2,827,442	-430,566	-559,021
4	Amortisation/depreciation of intangible assets and property, plant and equipment	-56,394	-24,599	0	-3,926
	Profit/loss before net financials	-191,381	54,604	10,776	-181,247
	Income from investments in group entities	0	0	-268,256	213,205
5	Financial income	130,218	11,099	93,734	10,602
6	Financial expenses	-125,369	-37,155	-85,811	-35,305
	Profit/loss before tax	-186,532	28,548	-249,557	7,255
7	Tax for the year	-58,865	-25,529	4,160	-4,236
	Profit/loss for the year	-245,397	3,019	-245,397	3,019
	Recommended appropriation of profit/loss				
	Retained earnings/accumulated loss			-245,397	3,019
				-245,397	3,019

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	USD	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	ASSETS				
	Non-current assets				
8	**Intangible assets**				
	Completed development projects	90,198	75,402	0	0
		90,198	75,402	0	0
9	**Property, plant and equipment**				
	Fixtures and fittings, other plant and equipment	73,913	89,761	10,518	10,518
		73,913	89,761	10,518	10,518
10	**Financial assets**				
	Investments in group entities	0	0	235,885	95,524
	Deferred tax asset	12,341	8,181	12,341	8,181
	Deposits, investments	6,137	18,503	4,497	12,075
		18,478	26,684	252,723	115,780
	Total non-current assets	182,589	191,847	263,241	126,298
	Current assets				
11	**Receivables**				
	Trade receivables	578,871	460,124	248,086	110,735
	Construction contracts	541,206	369,041	128,230	29,576
	Receivables from group entities	0	0	845,534	948,257
	Other receivables	96,175	85,843	4,284	10,860
	Prepayments	14,030	8,068	5,577	5,168
		1,230,282	923,076	1,231,711	1,104,596
	Cash	99,830	206,978	454	53,667
	Total current assets	1,330,112	1,130,054	1,232,165	1,158,263
	TOTAL ASSETS	1,512,701	1,321,901	1,495,406	1,284,561

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	USD	Group 2018	Group 2017	Parent company 2018	Parent company 2017
	EQUITY AND LIABILITIES				
	Equity				
12	Share capital	88,600	88,600	88,600	88,600
	Retained earnings	236,279	481,676	236,279	481,676
	Total equity	324,879	570,276	324,879	570,276
	Current liabilities				
	Bank debt	532,019	414,377	532,019	414,377
	Trade payables	43,133	92,884	27,127	42,429
	Payables to group entities	29,790	2,772	337,386	123,917
	Corporation tax payable	43,203	0	0	0
	Payables to shareholders and Management	11,241	9,208	11,004	9,208
	Other payables	528,436	231,748	262,991	107,887
	Deferred income	0	636	0	16,467
	Total current liabilities	1,187,822	751,625	1,170,527	714,285
	Total liabilities	1,187,822	751,625	1,170,527	714,285
	TOTAL EQUITY AND LIABILITIES	1,512,701	1,321,901	1,495,406	1,284,561

1 Accounting policies
2 Special items
13 Treasury shares
14 Contractual obligations and contingencies, etc.
15 Collateral

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

	Group		
USD	Share capital	Retained earnings	Total
Equity at 1 January 2018	88,600	481,676	570,276
Transfer through appropriation of loss	0	-245,397	-245,397
Equity at 31 December 2018	88,600	236,279	324,879

	Parent company		
USD	Share capital	Retained earnings	Total
Equity at 1 January 2018	88,600	481,676	570,276
Transfer through appropriation of loss	0	-245,397	-245,397
Equity at 31 December 2018	88,600	236,279	324,879

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies**

The annual report of a-solutions A/S for 2018 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.

Effective 1 January 2018, the Group has adopted USD as the reporting currency from DKK. Apart from this change, 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 USD as the Company's most significant transactions are settled in USD. At the balance sheet date, the DKK/USD exchange rate was 6,5194.

Consolidated financial statements

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

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.

Foreign group entities

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of licences is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

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

Income from contract work is recognised as revenue at the time of delivery and the transfer of the risk to the buyer.

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.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of non-current assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

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.

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Completed development projects	3-5 years
Fixtures and fittings, other plant and equipment	3-5 years

The residual value is determined at the time of acquisition and is 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.

Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. Net financials include interest income and expenses, exchange gains and losses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Development projects

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

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable 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 is usually 3-5 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

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.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

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.

Gains or losses on disposal of subsidiaries are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of non-current assets

The carrying amount of intangible assets, investments in subsidiaries, property, plant and equipment is assessed for impairment on an annual basis.

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).

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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.

Construction contracts

Contract work in progress for third parties is measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

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

Equity

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Other payables

Other payables are measured at net realisable value.

Deferred income

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

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Current ratio $\dfrac{\text{Current assets x 100}}{\text{Current liabilities}}$

Equity ratio $\dfrac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

Return on equity $\dfrac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

2 Special items

	Group		Parent company	
USD	2018	2017	2018	2017
Expenses				
Provision for bad debt	-579,000	0	0	0
Provision for bad debt in group entities	0	0	-579,000	0
	-579,000	0	-579,000	0
Special items are recognised in the below items of the financial statements				
Other external expenses	-579,000	0	0	0
Income from investments in group entities	0	0	-579,000	0
Net profit/loss on special items	-579,000	0	-579,000	0

3 Staff costs

Wages/salaries	2,566,208	2,789,532	400,377	521,111
Pensions	26,292	29,888	26,292	29,888
Other social security costs	3,897	8,022	3,897	8,022
	2,596,397	2,827,442	430,566	559,021
Average number of full-time employees	42	44	4	6

4 Amortisation/depreciation of intangible assets and property, plant and equipment

Amortisation of intangible assets	40,546	0	0	0
Depreciation of property, plant and equipment	15,848	24,599	0	3,926
	56,394	24,599	0	3,926

5 Financial income

Exchange gains	130,218	11,099	93,734	10,602
	130,218	11,099	93,734	10,602

6 Financial expenses

Exchange losses	113,447	36,125	73,889	34,275
Other financial expenses	11,922	1,030	11,922	1,030
	125,369	37,155	85,811	35,305

7 Tax for the year

Estimated tax charge for the year	58,865	25,529	-4,160	4,236
	58,865	25,529	-4,160	4,236

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Notes to the financial statements

8 Intangible assets

USD	Group Completed development projects
Cost at 1 January 2018	75,402
Additions	55,342
Cost at 31 December 2018	130,744
Impairment losses and amortisation at 1 January 2018	0
Amortisation for the year	40,546
Impairment losses and amortisation at 31 December 2018	40,546
Carrying amount at 31 December 2018	90,198

Completed development projects

Completed development projects include the company's software system with a carrying amount of USD 90,198. The project is completed as the Management has begun to sell the products.

Further, the Management has not identified any evidence of impairment relative to the carrying amount of the development project.

9 Property, plant and equipment

USD	Group Fixtures and fittings, other plant and equipment
Cost at 1 January 2018	217,856
Cost at 31 December 2018	217,856
Impairment losses and depreciation at 1 January 2018	128,095
Depreciation	15,848
Impairment losses and depreciation at 31 December 2018	143,943
Carrying amount at 31 December 2018	73,913

USD	Parent company Fixtures and fittings, other plant and equipment
Cost at 1 January 2018	114,495
Cost at 31 December 2018	114,495
Impairment losses and depreciation at 1 January 2018	103,977
Impairment losses and depreciation at 31 December 2018	103,977
Carrying amount at 31 December 2018	10,518

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10 Investments

USD	Group: Deferred tax asset	Group: Deposits, investments	Group: Total
Cost at 1 January 2018	8,181	18,503	26,684
Additions	4,160	0	4,160
Disposals	0	-12,366	-12,366
Cost at 31 December 2018	12,341	6,137	18,478
Carrying amount at 31 December 2018	12,341	6,137	18,478

USD	Parent company: Investments in group entities	Parent company: Deferred tax asset	Parent company: Deposits, investments	Parent company: Total
Cost at 1 January 2018	201,106	8,181	12,075	221,362
Additions	0	4,160	0	4,160
Disposals	0	0	-7,578	-7,578
Cost at 31 December 2018	201,106	12,341	4,497	217,944
Value adjustments at 1 January 2018	-105,582	0	0	-105,582
Profit/loss for the year	-268,257	0	0	-268,257
Negative investments in group entities set-off against receivables	408,618	0	0	408,618
Value adjustments at 31 December 2018	34,779	0	0	34,779
Carrying amount at 31 December 2018	235,885	12,341	4,497	252,723

Parent company

Name	Legal form	Domicile	Interest
Subsidiaries			
a-solutions DMCC	Limited	United Arab Emirates	100.00%
a-solutions UAB	Limited	Lithuania	100.00%
a-solutions East Africa	Limited	Kenya	100.00%
a-solutions West Africa	Limited	Nigeria	100.00%

11 Receivables

Group

Of the Group's total receivables, other receivables totalling USD 4,7 thousand fall due for payment after more than one year after the balance sheet date.

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Notes to the financial statements

USD	Parent company 2018	Parent company 2017
12 Share capital		
Analysis of the share capital:		
550 shares of USD 161.09 nominal value each	88,600	88,600
	88,600	88,600

Analysis of changes in the share capital over the past 5 years:

USD	2018	2017	2016	2015	2014
Opening balance	88,600	80,545	80,545	80,545	80,545
Capital increase	0	8,055	0	0	0
	88,600	88,600	80,545	80,545	80,545

13 Treasury shares

Group

Treasury shares in the group

	Number	Nominal value USD	Share of capital
Treasury shares at 31 December 2018	35,480	5,715	6.45%

Parent company

	Number	Nominal value USD	Share of capital
Balance at 1 January 2018	35,480	5,715	6.45%
Balance at 31 December 2018	35,480	5,715	6.45%

In accordance with a resolution passed at the general meeting of shareholders on 19 April 2016, the Company can acquire treasury shares at a maximum nominal value of 10% of the share capital until 18 April 2021. Treasury shares are acquired, among other reasons, to be used in the incentive plan intended for members of the Executive Board and other executive officers.

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Notes to the financial statements

14 **Contractual obligations and contingencies, etc.**

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
USD	2018	2017	2018	2017
Rent and lease liabilities	4,832	4,832	4,832	4,832

Parent company

The Company is jointly taxed with its parent, Al Mahra Holding ApS, which acts as management company, and other Danish group entities. The Company is jointly and severally liable with other Danish jointly taxed group entities for payment of Danish income taxes and withholding taxes on dividends, interests and royalties in the group of jointly taxed entities.

15 **Collateral**

Group

A company charge of USD 615.384, secured on Group trade receivables, inventories, fixtures and fittings, other plant and equipment and intangible assets, has been provided in respect of a-solutions A/S' debt to Danske Bank A/S.

A bank guarantee have been provided of USD 199.708, of which USD 165,001 has expired in March 2019. Remaining guarantee expires later in 2019.

Parent company

A company charge of USD 615.384, secured on the Company's trade receivables, inventories, fixtures and fittings, other plant and equipment and intangible assets, has been provided in respect of the Company's debt to Danske Bank A/S.

A bank guarantee have been provided of USD 124.653, which has expired in March 2019.