



**Conscia A/S**

**Kirkebjerg Parkvej 9, 2., 2605 Brøndby**

**Company reg. no. 27 12 65 02**

**Annual report**

**1 October 2016 - 30 September 2017**

The annual report has been submitted and approved by the general meeting on 19 December 2017.

**Søren Bech Justesen**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's report**

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The board of directors and the managing director have today presented the annual report of Conscia A/S for the financial year 1 October 2016 to 30 September 2017.

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 as on 30 September 2017 and of the company's results of its activities in the financial year 1 October 2016 to 30 September 2017.

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.

Brøndby, 19 December 2017

### **Executive management**



Peter Rain

### **Board of directors**



Mogens Bransholm



Søren Bech Justesen

## **Independent auditor's report**

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### **To the shareholders of Conscia A/S**

#### **Opinion**

We have audited the annual accounts of Conscia A/S for the financial year 1 October 2016 to 30 September 2017, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity 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 30 September 2017 and of the results of the company's operations for the financial year 1 October 2016 to 30 September 2017 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.

## **Independent auditor's report**

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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.

## **Independent auditor's report**

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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, 19 December 2017

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36



Jan Tennesen  
State Authorised Public Accountant



Claus Kjoskelin  
State Authorised Public Accountant

## **Company data**

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### **The company**

Conscia A/S  
Kirkebjerg Parkvej 9, 2.  
2605 Brøndby

Phone 70 20 77 80

Web site [www.conscia.com](http://www.conscia.com)

Company reg. no. 27 12 65 02

Financial year: 1 October - 30 September

### **Board of directors**

Mogens Bransholm  
Søren Bech Justesen

### **Managing Director**

Peter Rafn

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

## Financial highlights

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DKK in thousands.	2016/17	2015/16	2014/15	2013/14	2012/13
<b>Profit and loss account:</b>					
Net turnover	758.956	701.436	753.611	553.933	428.290
Gross profit	191.590	175.195	163.491	129.580	95.939
EBITDA	91.052	84.951	88.954	63.338	43.324
EBITA	88.055	83.430	87.947	62.445	42.283
Results from operating activities	86.283	82.231	88.552	61.693	38.924
Net financials	3.127	1.933	767	56	72
Results for the year	69.250	65.350	67.883	46.402	29.142
<b>Balance sheet:</b>					
Balance sheet sum	304.921	217.999	328.432	194.893	103.939
Investments in tangible fixed assets represent	1.799	3.670	919	430	175
Equity	125.690	56.627	99.536	32.902	15.515
<b>Employees:</b>					
Average number of full time employees	101	87	74	64	58
<b>Key figures in %:</b>					
Gross margin	25,2	25,0	21,7	23,4	22,4
Profit margin	11,4	11,7	11,8	11,1	9,1
Equity share	41,2	26,0	30,3	16,9	14,9
Return on equity	76,0	83,7	102,5	191,7	134,0

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

The financial highlights for the financial year 2012/13 cover a period of 15 months from 1 July 2012 to 30 September 2013.



## **Management's review**

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### **The Significant activities of the enterprise**

Conscia A/S (Conscia) provides IT solutions, consultancy and services to some of the largest private enterprises and public organizations in Denmark. The technological areas of focus are network infrastructure, data center, mobility and security, and the solutions are based primarily on Cisco technology. Conscia also offers its unique, Cisco-awarded service concept CNS (Conscia Network Services) and other services that give customers direct access to highly certified network consultants, fast troubleshooting and stable operation.

Conscia is a Cisco certified Gold Partner and in addition, Conscia has partnerships with other vendors such as Citrix, VmWare, EMC, VCE, Packetfront, Genexis and MobileIron.

At Cisco Partner Summit, November 2016 in San Francisco, Conscia was awarded as the Global Cisco Capital Partner of the Year. In addition, Conscia received the Cisco award as the EMEAR North Enterprise Network Partner of the Year.

February 2017, Conscia acquired the Danish Security specialist and Cisco Premier Partner, Level8. The 20 employees, primarily based in Aarhus, were immediately and successfully integrated into the Conscia organization.

During spring 2017, the Conscia HyperCloud was announced. Conscia HyperCloud is a complete turn-key private cloud (Infrastructure-as-a-Service) datacenter solution that contains all the advantages of public cloud in a fully automated and flexible private cloud.

### **Development in activities and financial matters**

Conscia A/S's EBITDA for 2016/2017 amounts to DKK 90,1 million compared to DKK 86,7 million for the same period in 2015/2016, equaling an increase of 8%. The financial performance in 2016/2017 for Conscia A/S was according to expectations and management considers the results for the year satisfactory.

### **Social responsibility**

Conscia bases its business development on combining financial performance with a socially responsible behavior and environmental awareness. Conscia complies with applicable legislation, local as well as international. In the conduct of business, Conscia aims to maintain highest ethical standards and strives to conduct its activities with integrity and responsibility. Concerning technology, Conscia operates with WEEE Compliant Cisco hardware, which means that returned equipment will be sent to Cisco, and that Cisco will secure a reasonable handling of the hardware.

Conscia does not generate higher levels of direct pollution or emissions than the norm in the IT consultancy business.

Conscia has an anti-corruption and -bribery policy in all affiliates and countries, as we do not accept corruption and bribery practice in any shape or form in our business. We expect the same from our suppliers.

## **Management's review**

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Moreover, Conscia also has a central whistleblower policy that enables all employees to anonymously report situations, incidents or circumstances that seem inappropriate or contrary to the Group's guidelines.

Please see the annual account for Conscia Holding A/S for further details regarding the Group's reporting regarding social responsibility, human rights and climate.

### **Employees and organization**

The employees and their high focus on competencies and skills create the foundation for the company.

In general, the employees are meant to experience an open and unprejudiced culture where the individual can use his or her skills in the best possible way, regardless of gender, age and ethnic background. Both women and men have the same opportunities for careers and leadership positions.

In future recruitment and appointments, it is the company's policy to seek greater representation of the under-represented gender, taking into account that the positions should always be filled by the best qualified candidates regardless of gender. Please see the annual account for Conscia Holding A/S for further details regarding the Group's diversity reporting.

As of 30 September 2017, Conscia A/S represents 114 employees, which is an increase of 22 employees since same time last year.

### **Risks**

Conscia A/S is exposed to uncertainties and risk factors, which may affect some or all of the company's activities.

#### *Contractual risks*

As Conscia's business model is founded upon extensive partnerships, it is essential to secure that vendor contracts or other agreements do not impose abnormal obligations on Conscia, nor are drafted in an unbalanced manner with regards to the protection of Conscia's business. Therefore, before entering any agreements, suppliers are thoroughly evaluated with regards to financial solidity, delivery quality, timeliness as well as overall reliability.

#### *Employee risks*

The employees and their high focus on competencies and skills create the foundation of the company. As Conscia's business model is founded upon IT consultancy and extensive partnerships, having the right competencies with the adequate experience is vital. Therefore, it is important that Conscia continues to attract, retain and develop skilled employees. Failure to do so will negatively impact the continued development of the company.

## **Management's review**

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### *Currency risks*

Conscia is exposed to currency fluctuations in the countries where it has its main activities. I.e. the risks relate primarily to the rise/fall in USD, as almost all hardware and software are purchased in USD. It is Group policy to seek to offset exchange-rate risks by matching revenue, as well as other positive cash flow, against costs in the same currencies. If this is not possible, the exchange risk is hedged via foreign exchange contracts. No speculative currency positions are taken.

Exchange rate fluctuations related to the translation of the results and intercompany balance of foreign subsidiaries at the balance sheet date constitute a risk. The company does not hedge this type of risk. Consequently, the company may be affected in the short term by exchange rate fluctuations related to the translation of the results and intercompany balance of subsidiaries into DKK.

### *IT risks*

Conscia uses IT to a significant extent and is vulnerable to interruptions of operation and breaches of the established security. Conscia continuously seeks to improve its IT security in order to ensure that a high level of security is maintained at all times.

The applied Audit Committee assists the board of directors with reviews of financial reporting processes, review of internal control systems including risk management and the on-going dialogue with the external auditor.

### **Research and development activities**

Conscia does not carry out research, but is continuously developing internal systems to support its customers' business and adjust to growth.

### **Outlook for 2017/2018**

In 2017/2018, Conscia expects growth in revenue, EBITDA and in number of employees.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

### **Uncertainty by recognition or measurement**

During the financial year, there has been no uncertainty by recognition and measurement in the financial report.

## **Accounting policies used**

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The annual report for Conscia A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (large enterprises).

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

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of AX IV Con ApS.

Adjustments as regards presentation have been made of the groups's exchange rate profit og loss. Income in the current financial year of mDKK 1,5 and last financial year of mDKK 1,5 has been moved from the group's line "raw materials and consumables used" to "financial items".

### **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, 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.

## **Accounting policies used**

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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.

### **Business Combinations**

Newly acquired and merged enterprises are recognised in the annual accounts as of the date of acquisition.

In connection with a merger, the acquisition method is applied, by which the acquirees' identifiable assets and liabilities are measured at fair value at the time of acquisition. Costs for restructuring which are recognised in the acquiree before the acquisition date and which have not been agreed upon as part of the acquisition, are recognised in the pre-acquisition balance sheet and thereby forms part of the measurement of goodwill. Restructuring decided by the acquiree is recognised in the profit and loss account. The tax effect of the revaluations carried out is taken into consideration.

Positive balances (goodwill) between cost and fair value of the acquired, identifiable assets and liabilities, including provisions for restructuring, are recognised under intangible fixed assets and in accordance with an individual evaluation allocated on a systematic basis over their useful lives in the profit and loss account. Negative balances (negative goodwill) is recognised as income in the profit and loss account at the date of acquisition when the general requirements for recognition of income are met.

Goodwill and negative goodwill from acquirees may be adjusted until 12 months after the acquisition.

### **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. Transactions at secured exchange rates are recognised at security rate, mainly included in the gross profit.

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 acquired in foreign currency are measured at the exchange rate on the transaction date.

### **Derived financial instruments**

At the first recognition, derivative financial instruments are recognised at cost in the balance sheet. Subsequently, they are measured at fair value. Positive and negative fair values of derived financial instruments are recognised under other debtors and other creditors respectively.

## **Accounting policies used**

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Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging future cash flows are recognised in the equity.

### **The profit and loss account**

#### **Net turnover**

The net turnover for sold goods and related manufacturer delivered services is recognized in the profit and loss account if delivery and risk transfer to the buyer have taken place before year-end, and if the income can be determined reliably and is expected to be received. The net turnover for own service and consulting services is recognized in steps with the performance of the service. Turnover is exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

#### **Raw materials and consumables used**

Raw materials and consumables used include costs for the purchase of goods and manufacturer delivered services with deduction of discounts and changes in inventories.

#### **Other operating income/costs**

Other operating income and costs comprise accounting items of secondary nature in proportion to the main activities of the enterprise, including gains and losses on disposal of intangible and tangible fixed assets.

#### **Other external costs**

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, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

#### **Net financials**

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

#### **Tax of the results for the year**

The on ordinary results 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.

## **Accounting policies used**

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The company is subject to Danish legislation concerning compulsory joint taxation of the parent company and the Danish group enterprises.

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**

#### **Intangible fixed assets**

##### **Software**

Software is measured at cost less accumulated amortisation, or at recoverable value, whichever is lower.

Software is amortised on a straight-line basis over the estimated financial useful life, which is 3 years. The scrap value is DKK 0.

##### **Goodwill**

Purchased goodwill is measured at cost with deduction of accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated financial life, which is 20 years.

The estimated financial life is based on the activity's unique commercial position and the employee's commercial and technical skills that are expected to be in use for at least 20 years.

#### **Tangible fixed assets**

Tangible fixed assets are measured at cost with deduction of accumulated depreciations and writedowns.

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.

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

	<i>Useful life</i>	<i>Scrap value</i>
Other plants, operating assets, fixtures and furniture	3-5 years	0 %

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.

## **Accounting policies used**

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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 losses are recognised in the profit and loss account as other operating income or other operating expenses.

Conscia A/S has no financially leased assets.

### **Writedown of fixed assets**

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

If indications of impairment are disclosed in the review, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable value, 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.

### **Inventories**

Trade goods and sold non-delivered goods are measured at cost. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods and sold non-delivered goods comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

### **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.

### **Work in progress for the account of customers**

Work in progress for the account of customers is measured at the sales value of the work performed. The sales value is measured on basis of the scope of completion on the balance sheet date and the total expected income from the individual work in progress.



## **Accounting policies used**

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When the sales value of a contract cannot be determined reliably, the sales value is measured at the costs incurred or at the net realisable value, if this is lower.

The individual work in progress is recognised in the balance sheet under debtors or liabilities, depending on the net value of the sales price with deduction of prepayments and amounts invoiced on account.

Costs in connection with sales work and the achievement of contracts are recognised in the profit and loss account when incurred.

### **Deferred expenses**

Deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Cash funds**

Cash funds comprise cash at bank and in hand.

### **Equity**

#### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting.

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognized 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.

According to the rules of joint taxation, Conscia 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.

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

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**

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

## **Accounting policies used**

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### **Segment information**

Information on activity and geographical markets is provided. The segment information follows the consolidated accounting policies, risks and internal financial control systems.

## Profit and loss account 1 October - 30 September

DKK in thousands.

<u>Note</u>	<u>2016/17</u>	<u>2015/16</u>
1 Net turnover	758.956	701.436
Raw materials and consumables used	-543.663	-505.473
Other external costs	-23.703	-20.768
<b>Gross results</b>	<b>191.590</b>	<b>175.195</b>
2 Staff costs	-100.539	-90.244
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-4.768	-2.450
Other operating costs	0	-270
<b>Operating profit</b>	<b>86.283</b>	<b>82.231</b>
Other financial income from group enterprises	1.802	651
Other financial income	1.605	1.486
3 Other financial costs	-280	-204
<b>Results before tax</b>	<b>89.410</b>	<b>84.164</b>
4 Tax on ordinary results	-20.160	-18.814
<b>5 Results for the year</b>	<b>69.250</b>	<b>65.350</b>

**Balance sheet 30 September**

DKK in thousands.

<b>Assets</b>		
Note	2017	2016
<b>Fixed assets</b>		
6 Software	2.212	1.565
7 Goodwill	39.587	16.032
Intangible fixed assets in total	<u>41.799</u>	<u>17.597</u>
8 Other plants, operating assets, and fixtures and furniture	3.863	4.008
Tangible fixed assets in total	<u>3.863</u>	<u>4.008</u>
9 Other debtors	1.236	1.242
Financial fixed assets in total	<u>1.236</u>	<u>1.242</u>
<b>Fixed assets in total</b>	<b><u>46.898</u></b>	<b><u>22.847</u></b>
<b>Current assets</b>		
Manufactured goods and trade goods	142	778
Prepayments for goods	10.321	11.169
Inventories in total	<u>10.463</u>	<u>11.947</u>
Trade debtors	102.653	100.630
10 Work in progress for the account of customers	2.730	3.172
Amounts owed by group enterprises	119.561	25.248
Other debtors	10.813	15.140
11 Deferred expenses	2.950	832
Debtors in total	<u>238.707</u>	<u>145.022</u>
Cash funds	<u>8.853</u>	<u>38.183</u>
<b>Current assets in total</b>	<b><u>258.023</u></b>	<b><u>195.152</u></b>
<b>Assets in total</b>	<b><u>304.921</u></b>	<b><u>217.999</u></b>

**Balance sheet 30 September**

DKK in thousands.

<b>Equity and liabilities</b>	<u>2017</u>	<u>2016</u>
<u>Note</u>		
<b>Equity</b>		
12 Contributed capital	500	500
13 Results brought forward	125.190	56.127
14 Proposed dividend for the financial year	0	0
<b>Equity in total</b>	<b><u>125.690</u></b>	<b><u>56.627</u></b>
<b>Provisions</b>		
15 Provisions for deferred tax	495	1.331
<b>Provisions in total</b>	<b><u>495</u></b>	<b><u>1.331</u></b>
<b>Liabilities</b>		
Bank debts	8.143	0
Prepayments received from customers	5.155	5.339
10 Prepayments received concerning work in progress for the account of customers	84	518
Trade creditors	98.753	102.361
Debt to group enterprises	714	54
Corporate tax	19.849	23.531
Other debts	46.038	28.238
Short-term liabilities in total	<u>178.736</u>	<u>160.041</u>
<b>Liabilities in total</b>	<b><u>178.736</u></b>	<b><u>160.041</u></b>
<b>Equity and liabilities in total</b>	<b><u>304.921</u></b>	<b><u>217.999</u></b>
<b>16 Contingencies</b>		
<b>17 Financial risks</b>		
<b>18 Related parties</b>		

**Statement of changes in equity**

DKK in thousands.

	<b>Contributed capital</b>	<b>Results brought forward</b>	<b>Proposed dividend for the financial year</b>	<b>In total</b>
Equity 1 October 2015	500	35.536	63.500	99.536
Distributed dividend	0	0	-63.500	-63.500
Profit or loss for the year brought forward	0	20.350	0	20.350
Extraordinary dividend adopted during the financial year	0	45.000	0	45.000
Distributed extraordinary dividend adopted during the financial year.	0	-45.000	0	-45.000
Adjustment of foreign exchange contracts at fair value of future purchases and sales in foreign currency after tax	0	241	0	241
Equity 1 October 2016	500	56.127	0	56.627
Profit or loss for the year brought forward	0	69.250	0	69.250
Adjustment of foreign exchange contracts at fair value of future purchases and sales in foreign currency after tax	0	-187	0	-187
	<b>500</b>	<b>125.190</b>	<b>0</b>	<b>125.690</b>

**Notes**

DKK in thousands.

	<u>2016/17</u>	<u>2015/16</u>
<b>1. Net turnover</b>		
Hardware and manufacturer service	686.846	633.953
Own service and consultancy	72.110	67.483
	<u><b>758.956</b></u>	<u><b>701.436</b></u>
<b>2. Staff costs</b>		
Salaries and wages	86.598	78.253
Pension costs	6.919	6.511
Other costs for social security	663	565
Other staff costs	6.359	4.915
	<u><b>100.539</b></u>	<u><b>90.244</b></u>
Average number of fulltime employees	<u>101</u>	<u>87</u>
In accordance with Section 98b, paragraph 2 of the Danish Financial Statements Act. 3, No. 2 is information about management remuneration excluded.		
<b>3. Other financial costs</b>		
Other financial costs	280	204
	<u><b>280</b></u>	<u><b>204</b></u>
<b>4. Tax on ordinary results</b>		
Tax of the results for the year, parent company	19.901	23.463
Adjustment for the year of deferred tax	259	-4.653
Adjustment of tax for previous years	0	4
	<u><b>20.160</b></u>	<u><b>18.814</b></u>

**Notes**

DKK in thousands.

	<u>2016/17</u>	<u>2015/16</u>
<b>5. Proposed distribution of the results</b>		
Extraordinary dividend adopted during the financial year	0	45.000
Allocated to results brought forward	<u>69.250</u>	<u>20.350</u>
<b>Distribution in total</b>	<b><u>69.250</u></b>	<b><u>65.350</u></b>
	<u>30/9 2017</u>	<u>30/9 2016</u>
<b>6. Software</b>		
Cost opening balance	4.569	3.541
Additions during the year	<u>1.699</u>	<u>1.028</u>
<b>Cost closing balance</b>	<b><u>6.268</u></b>	<b><u>4.569</u></b>
Amortisation opening balance	-3.004	-2.242
Amortisation for the year	<u>-1.052</u>	<u>-762</u>
<b>Amortisation closing balance</b>	<b><u>-4.056</u></b>	<b><u>-3.004</u></b>
<b>Book value closing balance</b>	<b><u>2.212</u></b>	<b><u>1.565</u></b>
<b>7. Goodwill</b>		
Cost opening balance	18.587	18.587
Additions during the year	<u>25.328</u>	<u>0</u>
<b>Cost closing balance</b>	<b><u>43.915</u></b>	<b><u>18.587</u></b>
Amortisation and writedown opening balance	-2.555	-1.626
Amortisation and writedown for the year	<u>-1.773</u>	<u>-929</u>
<b>Amortisation and writedown closing balance</b>	<b><u>-4.328</u></b>	<b><u>-2.555</u></b>
<b>Book value closing balance</b>	<b><u>39.587</u></b>	<b><u>16.032</u></b>



**Notes**

DKK in thousands.

	<u>30/9 2017</u>	<u>30/9 2016</u>
<b>8. Other plants, operating assets, and fixtures and furniture</b>		
Cost opening balance	6.618	2.948
Additions during the year	1.799	3.670
Disposals during the year	-287	0
<b>Cost closing balance</b>	<b><u>8.130</u></b>	<b><u>6.618</u></b>
Depreciation opening balance	-2.610	-1.851
Depreciation for the year	-1.944	-759
Depreciation and writedown, assets disposed of	287	0
<b>Depreciation closing balance</b>	<b><u>-4.267</u></b>	<b><u>-2.610</u></b>
<b>Book value closing balance</b>	<b><u>3.863</u></b>	<b><u>4.008</u></b>
<b>9. Other debtors</b>		
Cost opening balance	1.243	1.355
Additions during the year	110	0
Disposals during the year	-117	-113
<b>Cost closing balance</b>	<b><u>1.236</u></b>	<b><u>1.242</u></b>
<b>Book value closing balance</b>	<b><u>1.236</u></b>	<b><u>1.242</u></b>
Specified as follows:		
Leasehold deposits	1.236	1.242
	<b><u>1.236</u></b>	<b><u>1.242</u></b>
<b>10. Work in progress for the account of customers</b>		
Sales value of the production of the period	2.938	3.705
Payments on account received	-292	-1.051
<b>Work in progress for the account of customers, net</b>	<b><u>2.646</u></b>	<b><u>2.654</u></b>
The following is recognised:		
Work in progress for the account of customers (Current assets)	2.730	3.172
Work in progress for the account of customers (Prepayments received)	-84	-518
	<b><u>2.646</u></b>	<b><u>2.654</u></b>

**Notes**

DKK in thousands.

	<u>30/9 2017</u>	<u>30/9 2016</u>
<b>11. Deferred expenses</b>		
Deferred expenses include prepaid costs.		
<b>12. Contributed capital</b>		
Contributed capital opening balance	<u>500</u>	<u>500</u>
	<u>500</u>	<u>500</u>
The share capital consists of 500,000 shares, each with a nominal value of DKK 1. No shares hold particular rights.		
Within the latest 5 years, no changes in the share capital have taken place.		
<b>13. Results brought forward</b>		
Results brought forward opening balance	56.127	35.536
Profit or loss for the year brought forward	69.250	20.350
Extraordinary dividend adopted during the financial year	0	45.000
Distributed extraordinary dividend adopted during the financial year.	0	-45.000
Adjustment of foreign exchange contracts at fair value of future purchases and sales in foreign currency after tax	-187	241
	<u>125.190</u>	<u>56.127</u>
<b>14. Proposed dividend for the financial year</b>		
Dividend opening balance	0	63.500
Distributed dividend	0	-63.500
	<u>0</u>	<u>0</u>

**Notes**

DKK in thousands.

	<u>30/9 2017</u>	<u>30/9 2016</u>
<b>15. Provisions for deferred tax</b>		
Provisions for deferred tax opening balance	1.331	5.984
Deferred tax of the results for the year	259	-4.653
Addition by merger	-1.095	0
	<u><b>495</b></u>	<u><b>1.331</b></u>
The following items are subject to deferred tax:		
Intangible fixed assets	486	344
Tangible fixed assets	399	403
Work in progress for the account of customers	582	584
Deferred expenses	174	0
Other debts	-1.146	0
	<u><b>495</b></u>	<u><b>1.331</b></u>

**Notes**

DKK in thousands,

**16. Contingencies****Contingent liabilities**

	DKK in thousands
Leasing liabilities	<u>17.883</u>
<b>Contingent liabilities in total</b>	<b><u>17.883</u></b>

Leasehold- and leasing commitments

Leasing commitments:

The company has entered into operating leases at a lease payment of tDKK 3.826 within 1 year and at tDKK 4.142 between 1-5 years.

Leasehold commitments:

The group has entered leases with at a lease payment of 2.980 tDKK within 1 year and at tDKK 6.935 between 1-5 years.

**Other contingent liabilities**

The company's sales of goods and services are covered by the normal warranty provisions, which means that the company may be required to make improvements in case of defects and deficiencies. Guarantees are hedged by the hardware manufacturers.

**Joint taxation**

AX IV Con ApS, company reg. no 36 90 00 24 being the administration company, the company is 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.

The total tax payable under the joint taxation amounts to tDKK 15.137.

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

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

## Notes

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DKK in thousands.

### 17. Financial risks

#### Exchange rate risks

The company's outstanding accounts in foreign currency and the related hedging transactions as per 30 September 2017 are as follows (DKK in thousands):

Currency	Payment/expiry	Hedging transaction	Net position
USD	0-12 months	15.558	15.558
			<b>15.558</b>

For currency hedging of the future purchase of goods in USD, the company has entered into forward exchange contracts of a total t.DKK 15.558. Compared to the forward price at the balance sheet date, the contracts have a negative value of approximately t.DKK -293. The capital loss is recognised in the equity.

### 18. Related parties

#### Consolidated annual accounts

The company is included in the consolidated annual accounts for Conscia Holding A/S and AX IV Con ApS. The annual reports for 2016/17 for Conscia Holding A/S and AX IV Con ApS can be obtained from the Danish Business Authority.