

BGH 2017 A/S

Annual Report 2017

CVR 27 22 60 27
Lautrupbjerg 6
2750 Ballerup

The Annual Report was presented and
approved at the General Meeting on the 26th
of April 2018

Nils Anders Vold
Chairman of the meeting

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Statement by Management on the Annual Report

Today, the Board of Directors and the Executive Board have discussed and approved the annual report for 2017 for BGH 2017 A/S.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and the result of the Company's operations for the financial year 1 January - 31 December 2017.

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.

Ballerup, 26th of April 2018

Executive Board:

Valentin Thore Ringgård
CEO

Board of Directors

Nils Anders Vold
Chairman

Øystein Moan
Vice chairman

Eivind Gundersen

Hanne Gudik-Sørensen

Ercan Zülal

Independent auditor's report

To the shareholder of BGH 2017 A/S

Opinion

We have audited the financial statements of BGH 2017 A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and 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 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 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 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 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

- Continued

As part of an audit conducted in accordance with ISAs and 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 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 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 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the Management'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.

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.

Odense, 26th of April 2018

ERNST & YOUNG

Godkendt Revisionspartnerselskab
Business Registration No 30 70 02 28

Søren Smedegaard Hvid
State-Authorised Public Accountant
MNE no.: mne31450

Company information

The company

BGH 2017 A/S
Lautrupbjerg 6
2750 Ballerup
Fax: +45 72 27 90 99
Homepage: www.bluegarden.com

CVR: 27 22 60 27
Accounting period: 1 January - 31 December
Location: Ballerup

Board of Directors

Nils Anders Vold, Chairman
Øystein Moan, Vice chairman
Eivind Gundersen
Hanne Gudik-Sørensen
Ercan Zülal

Management

Valentin Thore Ringgård, CEO

Audit company

ERNST & YOUNG
Godkendt Revisionspartnerselskab

Management report

Primary activities

The company's main activity is to hold shares in the Visma Bluegarden Group.

BGH 2017 A/S is parent to the following group subsidiaries (together the Group):

- Visma Bluegarden A/S, Denmark

Bluegarden AS and Bluegarden AB, including Medvind Informationsteknik AB, was divested in September 2017.

Development in activities and finances in 2017

The company realised operating result of -3.7 MDKK, compared to a loss of -8.0 MDKK in 2016. The result from subsidiaries was positive with 534.5 MDKK (2016: 95.2 MDKK).

Of the result from subsidiaries 474.3 TDKK came from profit on sale of shares in subsidiaries.

In September 2017 TSH 2017 ApS was acquired by Visma Danmark Holding A/S.

Outlook for 2018 and Subsequent events

The Group has submitted merger plan to merge Visma Bluegarden A/S, BGH 2017 A/S, TS 2017 ApS and TSH 2017 ApS as of 1st of January 2018 with Visma Bluegarden A/S as the continuing company.

Besides the above, no other events have occurred since the balance sheet date that would materially influence the evaluation of this annual report. The merge has no financial impact for the 2017 annual report.

Income statement 1 January - 31 December 2017

	Note	2017 TDKK	2016 TDKK
Revenue		7.400	7.614
Cost of sales		-	(3.302)
Gross profit		7.400	4.312
Research and development costs		(8.785)	(11.174)
Administrative expenses		(2.271)	(1.127)
Profit from operations		(3.656)	(7.988)
Share of profit after tax in subsidiaries	3	534.539	95.170
Financial income	4	1.985	1.395
Financial expenses	5	(6.524)	(7.854)
Profit before tax		526.343	80.722
Tax on profit for the year	6	1.803	3.105
Profit for the year		528.146	83.827

Balance sheet 31 December 2017

	Note	2017 TDKK	2016 TDKK
Investment in subsidiaries	7	132.502	292.796
Financial assets		132.502	292.796
Total fixed assets		132.502	292.796
Receivables at affiliated companies		-	28.995
Other receivables		-	53
Income tax receivable	6	1.803	2.694
Prepayments		3.044	3.076
Receivables		4.846	34.818
Cash		31.038	4.262
Total current assets		35.884	39.080
Total assets		168.386	331.876

Balance sheet 31 December 2017

	Note	2017	2016
		TDKK	TDKK
Share capital		19.500	19.500
Reserve for equity method in subsidiaries		23.502	-
Retained earnings		60.298	71.326
Proposed dividend for the financial year		-	45.000
Equity		103.300	135.826
Trade payables		317	400
Payables to affiliated companies		64.769	195.647
Other payables		-	3
Short term liabilities		65.086	196.050
Total liabilities other than provisions		65.086	196.050
Total equity, provisions and liabilities		168.386	331.876
Subsequent Events	1		
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Statement of changes in equity

Equity

TDKK	Share capital	Reserve for equity method in subsidiaries	Retained earnings	Proposed dividend	Total
Equity 1 January 2016	19.500	-	32.007	-	51.507
Foreign exchange adjustment	-	-	492	-	492
Profit for the year	-	-	38.827	45.000	83.827
Equity 1 January 2017	19.500	-	71.326	45.000	135.826
Dividend paid	-	-	-	(45.000)	(45.000)
Extraordinary dividend	-	-	(515.672)	-	(515.672)
Profit for the year	-	23.502	504.644	-	528.146
Equity 31 December 2017	19.500	23.502	60.298	-	103.300

The share capital of TDKK 19.500 is split on shares of DKK 1 or multiples thereof. No shares are rewarded special rights.

There have been no changes to the share capital within the last 5 years.

Notes

1 Subsequent events

The Group has submitted mergerplan to merge Visma Bluegarden A/S, BGH 2017 A/S, TS 2017 ApS and TSH 2017 ApS as of 1st January 2018 with Visma Bluegarden as the continuing company.

Besides the above, no other events have occurred since the balance sheet date that would materially influence the evaluation of this report. The merge has no financial impact for the 2017 annual report.

	<u>2017</u>	<u>2016</u>
	TDKK	TDKK
2 Staff costs		
Average number of employees	-	-
3 Income from investment in subsidiaries		
Share of profit after tax in subsidiaries	67.700	106.399
Profit on sale of shares in subsidiaries	474.325	-
Amortisation of goodwill	(7.486)	(11.229)
	<u>534.539</u>	<u>95.170</u>
4 Financial income		
Interest income from affiliated companies	1.833	797
Foreign exchange gain	152	598
	<u>1.985</u>	<u>1.395</u>
5 Financial expenses		
Interest expenses to affiliated companies	4.879	7.470
Other financial expenses	19	10
Foreign exchange loss	1.626	374
	<u>6.524</u>	<u>7.854</u>
6 Tax on profit for the year		
Tax for the period	(1.803)	(3.178)
Prior year adjustment, tax payable	-	73
	<u>(1.803)</u>	<u>(3.105)</u>

Notes

	2017	2016
	TDKK	TDKK
7 Investment in subsidiaries		
Cost 1. January	797.379	767.940
Addition	-	29.439
Divestments	(688.379)	-
Cost 31. December	109.000	797.379
Value adjustment 1. January	(504.583)	(480.245)
Foreign exchange adjustment	-	492
Result of the year	67.700	106.399
Dividend	(75.832)	(120.000)
Amortisation goodwill	(7.486)	(11.229)
Divestments	543.704	-
Value adjustment 31. December	23.502	(504.583)
Carrying amount at 31. December	132.502	292.796

The Company's subsidiaries at 31 December 2017

Name	Registered office	Share capital	Ownership interest	Currency	Equity	Result for the year
Visma Bluegarden A/S	Ballerup, Denmark	10,0 MDKK	100%	TDKK	133	68

8 Contingent liabilities and other financial obligations

There are no leases obligations for the parent company.

BGH 2017 A/S is jointly liable for VAT and other public charges together with the common registered group companies. Since 2013 the company is liable for income tax for the companies within the joint taxation and since 1. July 2012 for possible obligations to withhold tax on interest, royalties and dividend.

BGH 2017 A/S has issued financial guarantees for a number of customers in the subsidiaries and former subsidiaries. Guarantees covering former subsidiaries have not been taken over by the new appropriate owners within the Visma Group as of 31 December 2017.

9 Related parties and ownership

Controlling interest and ownership

TS 2017 ApS, Lautrupbjerg 6, 2750 Ballerup owns the share capital of BGH 2017 A/S. The shares in TS 2017 ApS are owned by TSH 2017 ApS, and the ultimate owner is Metatron AS (Oslo, NO.)

BGH 2017 A/S is included in the consolidated financial statement of Visma Group Holding AS (Oslo, NO.) The consolidated annual report can be required by contacting the company.

Other related parties

The parent company Visma AS and its affiliated are the only related parties of BGH 2017 ApS.

The company only discloses transactions with related parties that have not been completed within normal market conditions, cf. The Danish Financial Statements Act § 98 C, point 7. All transactions are done according to normal market conditions.

10 Proposed distribution of profit

Dividend	-	45.000
Extraordinary dividend	515.672	-
Reserve for equity method in subsidiaries	23.502	-
Transferred to retained earnings	(11.028)	38.827
	528.146	83.827

Notes

11 Accounting policies

This annual report has 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.

The accounting policies applied are consistent with those applied last year.

Research and development cost are shown separately to improve transparency according to section 11(3), of the Danish Financial Statement Act.

Referring to section 112(1) of the Danish Financial Statement Act the Company has not prepared consolidated financial statements. The financial statement of BGH 2017 A/S and subsidiaries are included in the consolidated financial statement of Visma Group Holding AS.

Cash flow statement is not included with reference to the Danish Financial Statement Act § 86, point 4. The cash flow statement for the Group is included in the Annual report for Visma Group Holding AS.

Recognition and measurement

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Group, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Group, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered on recognition and measurement.

Business combinations

Newly acquired enterprises are recognised from the time of acquisition. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied in the acquisition of new enterprises, under which identifiable assets and liabilities of these newly acquired enterprises are measured at fair value at the acquisition date. On acquisition, provisions are made for costs relating to decided and published restructuring of the acquired enterprise. Allowance is made for the tax effect of the restatements made.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities acquired are recognised under intangible assets, and they are amortised systematically in the income statement based on an individual assessment of their useful lives, however, no more than 20 years. Negative differences in amount (negative goodwill), equalling an estimated adverse development of the relevant enterprises, are recognised in the balance sheet separately as deferred income, and in the income statement as such adverse development is realised.

Profit/loss from fixed asset divestments

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, respectively, including any non-amortised goodwill and estimated selling or winding-up expenses.

Notes

11 Accounting policies, continued

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries, their income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

Research and development costs

Research and development costs comprise salaries, other staff related costs, external consultancy costs as well as amortisation of development costs capitalised and other costs directly and indirectly attributable to the research and development activities.

Research and development costs are expensed in the year in which they incurred when they do not qualify for capitalisation.

Administrative expenses

Administrative expenses consist of expenses related to the Group's administrative functions, including salaries, amortisation and depreciation and a share of indirect costs.

Profit/loss from investments in group enterprises

The proportionate share of the individual group enterprises' profit/loss after full elimination of intra-group profits/losses less or plus amortisation on consolidated goodwill or negative goodwill is recognised in the Parent's income statement.

Financial income and expenses

These items comprise interest income and interest expenses, realised and unrealised gains and losses from foreign currency transactions as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Notes

11 Accounting policies, continued

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to profit/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is part of the joint taxation arrangement with Team Siri Holding ApS as the administration company in the period 1 January - 11 September 2017. As from 12 September 2017 the Company is part of the joint taxation with Visma Danmark Holding A/S. The current Danish income tax is allocated among the jointly taxed companies proportionately to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in subsidiaries

Investments in group enterprises are measured according to the equity method.

In the balance sheet, investments in group enterprises are measured at the proportionate share of the enterprises' equity value calculated applying the Parent's accounting policies less or plus unrealised intra-group profits/losses and non-amortised consolidated goodwill.

Group enterprises with a negative equity value are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity if it is deemed irrecoverable. If the negative equity value exceeds receivables, the remaining amount is recognised in provisions in so far as the Parent has a legal or constructive obligation to cover the negative balance of the enterprise.

Net revaluation of investments in group enterprises is taken to Reserve for net revaluation according to the equity method insofar as the carrying amount exceeds cost.

The purchase method is used in the acquisition of investments in subsidiaries.

Receivables

Receivables are measured at amortised cost, usually equalling the nominal amount. Write-down for bad and doubtful debts is made based on an assessment of the individual receivables.

Prepayments

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

Current tax receivables and tax liabilities

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income that has been adjusted for prepaid tax.

Financial liabilities

Trade payables, payables to affiliated companies and other debt are measured at amortised cost, usually equalling the nominal amount.

Other liabilities are measured at amortised cost, usually equalling the nominal amount.

Prepayments received

Prepayment received include payments received relating to income in subsequent financial years. Such items are measured at cost.

Dividend

Dividends are recognised as a liability at the time of adoption at the general meeting. Proposed dividends for the financial year are disclosed as a separate item in equity.