

**QuantumWise A/S**

**Fruebjergvej 3, 2100 København Ø**

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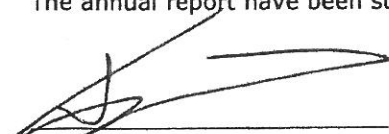
**Annual report**

**2016**

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**Company reg. no. 27 39 89 87**

The annual report have been submitted and approved by the general meeting on the 21/3 2017



Thomas Magnussen  
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

The board of directors and the managing director have today presented the annual report of QuantumWise A/S for the financial year 1 January to 31 December 2016.

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 31 December 2016 and of the company's results of its activities in the financial year 1 January to 31 December 2016.

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.

København Ø, 24 February 2017

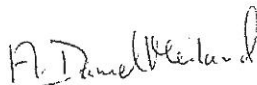
### **Managing Director**

Kurt Stokbro

### **Board of directors**



Thomas Magnussen



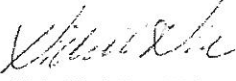
Aage Daniel Meiland



Kurt Stokbro



Søren Nordstrand Smidstrup



Niels Christian Nielsen



Patrik Scaglia

## **Independent auditor's report**

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

#### **Opinion**

We have audited the annual accounts of QuantumWise A/S for the financial year 1 January to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 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.

Esbjerg, 24 February 2017

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01



Aage Brink Thomsen  
State Authorised Public Accountant

## Company data

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<b>The company</b>	QuantumWise A/S Fruebjergvej 3 2100 København Ø
	Company reg. no. 27 39 89 87
	Domicile: Copenhagen
	Financial year: 1 January - 31 December 14th financial year
<b>Board of directors</b>	Thomas Magnussen Aage Daniel Meiland Kurt Stokbro Søren Nordstrand Smidstrup Niels Christian Nielsen Patrick Scaglia
<b>Managing Director</b>	Kurt Stokbro
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Edison Park 4 6715 Esbjerg N
<b>Parent company</b>	Kurt og Birgitte Stokbro Holding ApS
<b>Subsidiaries</b>	QuantumWise Japan K.K., Japan QuantumWise Inc., USA

## Management's review

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### The significant activities of the company

QuantumWise develops and delivers a new generation of software solutions that enable the simulation of materials and devices at the atomic-scale, which is encompassed in the Company's motto: "When Every Atom Matters!" The product is used to accelerate R&D in high tech industries, in particular the semi-conductor industry, reducing time-to-market for radically new products.

QuantumWise's simulation tools are integrated in a modular software suite. The core of the product is developed in Copenhagen in close collaboration with leading research groups in the field. Besides its own development, a growing number of extensions are developed by third parties and made available through QuantumWise's add-on server.

The software modules are delivered with a versatile scripting language and an easy-to-use graphical user interface. This enhances the productivity of the user and enables QuantumWise to make the highly advanced atomic scale simulation methods and techniques available to a broad audience of users in commercial high-tech enterprises, research organizations and educational institutions.

### Development in activities and financial matters

The gross profit for the year is DKK 18.199.000 against DKK 11.702.000 last year. The results from ordinary activities after tax are DKK 2.239.000 against DKK 794.000 last year. The management consider the results satisfactory.

The Company is pursuing a balanced, yet aggressive self-financed growth strategy. In just two years, total revenues as well as license revenues have doubled. This strong development is expected to continue

Additional complementary competences are continuously added across the organization, the unique solution architecture is improved, commercially relevant functions and facilities are expanded, and market positions further developed. Despite substantial investments made throughout the year and funded out of operations, margins are maintained at an attractive level.

QuantumWise is accelerating its lead over competition and establishing a strong global position across market segments. The Company's footprint is growing significantly and QuantumWise is now a well recognized provider in the global market for commercial atomic scale and nano-scale modeling software.

Unlike most other commercial companies offering software for atomic-scale modeling, QuantumWise develops its own code from the bottom up, and the Company has in-house world leading expertise to develop novel functionality all the way down to the quantum-mechanical level. QuantumWise maintains an inspiring dynamic work environment that encourages personal development and professional growth, attracting the very best talent from around the globe.

The QuantumWise software solutions are constant work-in-progress. Development is test-driven and guided by specific customer requests and requirements. The Company spends a lot of energy on ensuring the quality and reliability of the software.



## Management's review

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The QuantumWise software code base is very flexible and can easily be tailored for customized solutions, including very advanced ones, in order to study commercially relevant problems for which there are currently no software tools available on the market, and/or to fit a particular customer's specific requirements.

QuantumWise places great emphasis on making the code easy to use, and on helping customers to be successful with atomic- and nano-scale modeling. Large amounts of tutorials are available online, including videos on Youtube, and QuantumWise has a very active community of users with whom the Company's employees interact constantly.

QuantumWise is delivering its solutions around the globe to enterprise and research customers looking for the most complete platform of tools for modeling and simulations in combination with the best and most easy-to-use graphical user interface.

The Company is serving customers throughout North America, Japan, the Asia Pacific region and Europe through its direct sales force and in collaboration with distribution partners where appropriate. In addition to its headquarters in Copenhagen, Denmark, the Company has organizational presence in USA, Singapore and Japan. QuantumWise intends to maintain and expand its local presence throughout the regions where its solutions are in high demand.

QuantumWise is pursuing a two-dimensional business strategy serving both horizontal and vertical markets.

Horizontal markets are pursued with a low priced general atomic and nanoscale-modeling platform comprising a set of simulation tools and open application programming interfaces for other tools. All tools are easily accessed through the Company's intuitive and easy-to-use Virtual NanoLab graphical user interface.

Vertical markets are pursued with industry-specific solutions designed for real design challenges occurring in these markets including semiconductors, electrical industries, chemistry, automotive and defense related industries.

QuantumWise intends to continue its balanced growth strategy with additional offerings for existing customers and new offerings for new market areas.

The Company is well positioned to expand in all areas with focus on:

Increase customer satisfaction with quality solutions fulfilling real customer needs;

Repeat revenues with strategic benefits for existing customers, attracting and retaining them to the solutions;

## **Management's review**

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Improve customer loyalty, maintain loss of customer license subscription at zero levels;

Increase average revenues per user through cross selling of additional products and services.

## **Accounting policies used**

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The annual report for QuantumWise A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies for dividend expected to be distributed is changed compared to 2015. Expected dividend for the year is changed is recognised as a separate item under the equity opposite 2015 where the dividend was recognised as a liability.

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

### **Recognition and measurement in general**

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

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

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

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

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

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

### **Translation of foreign currency**

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

## **Accounting policies used**

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

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

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

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

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

## **The profit and loss account**

### **Gross profit**

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Direct costs includes royalty payments.

## **Accounting policies used**

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

### **Results from equity investments in group enterprises**

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

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

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

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

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

## **The balance sheet**

### **Tangible fixed assets**

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

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

## **Accounting policies used**

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

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

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

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

Other plants, operating assets, fixtures and furniture	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

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

### **Financial fixed assets**

#### **Equity investments in group enterprises**

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.

Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

## **Accounting policies used**

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### **Debtors**

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

### **Accrued income and deferred expenses**

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

### **Securities and equity investments**

Securities and equity investments recognised as current assets are measured at fair value on the balance sheet date.

### **Available funds**

Available 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 (the time of declaration).

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

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

According to the rules of joint taxation, QuantumWise A/S is proportionally 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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### **Accrued expenses and deferred income**

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



## Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Gross profit</b>	<b>18.199.002</b>	<b>11.701.657</b>
1 Staff costs	-15.401.030	-10.852.757
Depreciation and writedown relating to tangible fixed assets	-149.457	-116.580
<b>Operating profit</b>	<b>2.648.515</b>	<b>732.320</b>
Income from equity investments in group enterprises	-129.086	-116.372
Other financial income	395.305	466.959
2 Other financial costs	-2.071	-1.743
<b>Results before tax</b>	<b>2.912.663</b>	<b>1.081.164</b>
3 Tax on ordinary results	-673.480	-286.800
<b>Results for the year</b>	<b>2.239.183</b>	<b>794.364</b>
 <b>Proposed distribution of the results:</b>		
Dividend for the financial year	400.000	400.000
Allocated to results brought forward	1.839.183	394.364
<b>Distribution in total</b>	<b>2.239.183</b>	<b>794.364</b>

**Balance sheet 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Fixed assets</b>		
4 Other plants, operating assets, and fixtures and furniture	197.507	255.726
Tangible fixed assets in total	<u>197.507</u>	<u>255.726</u>
5 Equity investments in group enterprises	7	0
Other debtors	149.030	146.745
Financial fixed assets in total	<u>149.037</u>	<u>146.745</u>
<b>Fixed assets in total</b>	<b><u>346.544</u></b>	<b><u>402.471</u></b>
<b>Current assets</b>		
Trade debtors	6.332.153	3.257.920
Amounts owed by group enterprises	1.174.970	721.343
Deferred tax assets	28.000	20.000
Other debtors	1.363.963	851.166
Accrued income and deferred expenses	0	172.951
Debtors in total	<u>8.899.086</u>	<u>5.023.380</u>
Other securities and equity investments	4.000.634	4.757.690
Securities in total	<u>4.000.634</u>	<u>4.757.690</u>
Available funds	<u>1.565.688</u>	<u>1.157.218</u>
<b>Current assets in total</b>	<b><u>14.465.408</u></b>	<b><u>10.938.288</u></b>
<b>Assets in total</b>	<b><u>14.811.952</u></b>	<b><u>11.340.759</u></b>

**Balance sheet 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2016</u>	<u>2015</u>
	<b>Equity</b>		
6	Contributed capital	511.500	511.500
7	Results brought forward	2.370.315	492.193
8	Proposed dividend for the financial year	400.000	400.000
	<b>Equity in total</b>	<b><u>3.281.815</u></b>	<b><u>1.403.693</u></b>
	<b>Liabilities</b>		
	Bank debts	0	153
	Prepayments received	1.697.704	923.407
	Trade creditors	549.203	838.328
	Other debts	1.904.740	1.436.595
	Accrued expenses and deferred income	7.378.490	6.738.583
	Short-term liabilities in total	<u>11.530.137</u>	<u>9.937.066</u>
	<b>Liabilities in total</b>	<b><u>11.530.137</u></b>	<b><u>9.937.066</u></b>
	<b>Equity and liabilities in total</b>	<b><u>14.811.952</u></b>	<b><u>11.340.759</u></b>

**9 Mortgage and securities****10 Contingencies**

## Notes

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All amounts in DKK.

	<u>2016</u>	<u>2015</u>
<b>1. Staff costs</b>		
Salaries and wages	14.092.428	10.168.951
Pension costs	341.800	281.283
Other costs for social security	56.045	37.620
Other staff costs	910.757	364.903
	<b><u>15.401.030</u></b>	<b><u>10.852.757</u></b>
Average number of employees	<u>26</u>	<u>17</u>
<b>2. Other financial costs</b>		
Other financial costs	<u>2.071</u>	<u>1.743</u>
	<b><u>2.071</u></b>	<b><u>1.743</u></b>
<b>3. Tax on ordinary results</b>		
Tax of the results for the year, parent company	681.480	286.800
Adjustment for the year of deferred tax	<u>-8.000</u>	<u>0</u>
	<b><u>673.480</u></b>	<b><u>286.800</u></b>
<b>4. Other plants, operating assets, and fixtures and furniture</b>		
Cost opening balance	867.953	600.145
Additions during the year	<u>84.293</u>	<u>267.808</u>
<b>Cost closing balance</b>	<b><u>952.246</u></b>	<b><u>867.953</u></b>
Depreciation and writedown opening balance	-612.227	-495.647
Depreciation and writedown for the year	<u>-142.512</u>	<u>-116.580</u>
<b>Depreciation and writedown closing balance</b>	<b><u>-754.739</u></b>	<b><u>-612.227</u></b>
<b>Book value closing balance</b>	<b><u>197.507</u></b>	<b><u>255.726</u></b>

## Notes

All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
<b>5. Equity investments in group enterprises</b>		
Acquisition sum, opening balance	590.622	590.622
Additions during the year	<u>7</u>	<u>0</u>
<b>Cost closing balance</b>	<b><u>590.629</u></b>	<b><u>590.622</u></b>
Revaluations, opening balance	-1.331.446	-988.090
Translation by use of the exchange rate valid on balance sheet date	38.939	-3.072
Results for the year before goodwill amortisation	<u>-129.086</u>	<u>-340.284</u>
<b>Revaluation closing balance</b>	<b><u>-1.421.593</u></b>	<b><u>-1.331.446</u></b>
Offsetting against debtors	<u>830.971</u>	<u>740.824</u>
<b>Set off against debtors and provisions for liabilities</b>	<b><u>830.971</u></b>	<b><u>740.824</u></b>
<b>Book value closing balance</b>	<b><u>7</u></b>	<b><u>0</u></b>
<b>Group enterprises:</b>		
	<b>Domicile</b>	<b>Share of ownership</b>
QuantumWise Japan K.K.	Japan	100 %
QuantumWise Inc.	USA	100 %
<b>6. Contributed capital</b>		
Contributed capital opening balance	<u>511.500</u>	<u>511.500</u>
	<b><u>511.500</u></b>	<b><u>511.500</u></b>

The company has established a warrant program for some key employees and board members. If all the warrants are exercised, it give the holders the right to subscribe for up to nominally 106.103 shares.

## Notes

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All amounts in DKK.

	<u>31/12 2016</u>	<u>31/12 2015</u>
<b>7. Results brought forward</b>		
Results brought forward opening balance	492.193	100.901
Profit or loss for the year brought forward	1.839.183	394.364
Translation Adjustment equity	<u>38.939</u>	<u>-3.072</u>
	<b><u>2.370.315</u></b>	<b><u>492.193</u></b>
<b>8. Proposed dividend for the financial year</b>		
Dividend for the financial year	<u>400.000</u>	<u>400.000</u>
	<b><u>400.000</u></b>	<b><u>400.000</u></b>

### 9. Mortgage and securities

No mortgages and securities

### 10. Contingencies

#### Operational leasing

The company has entered into operational leasing contracts with an average annual leasing payment of TDKK 74. The leasing contracts have 13 months left to run, and the total outstanding leasing payment is TDKK 81.

#### Joint taxation

Kurt og Birgitte Stokbro Holding ApS being the administration company, the company is subject to the Danish scheme of joint taxation and it is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligation to withhold tax on interest, royalties and dividends of the jointly taxed companies.

The liabilities amount to a maximum corresponding to that share of the company capital, which is owned directly or indirectly by the ultimate parent company.

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

## Notes

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All amounts in DKK.

• **Contingencies (continued)**

**Joint taxation (continued)**

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

### 11. Related parties

**Ownership**

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

Kurt og Birgitte Stokbro ApS, Bregnerød Byvej 15, 3520 Farum

Therazone ApS, Gyvelvej 20, 2680 Solrød Strand

Aage Daniel Meiland, Flat 3, Gayfere Street, London

Thylander & Company A/S, Store Strandstræde 19, 1255 København K

Claus Colliander, Fortunvej 50, 2920 Charlottenlund