

QuantumWise ApS under frivillig likvidation

Fruebjergvej 3, 2100 København

Annual report

1 November 2018 - 31 October 2019

Company reg. no. 27 39 89 87

The annual report was submitted and approved by the general meeting on the 31 March 2020.

Jesper Rothe
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 %.

Liquidator's report

The liquidator has today presented the annual report of QuantumWise ApS under frivillig likvidation for the financial year 1 November 2018 to 31 October 2019.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 October 2019 and of the company's results of its activities in the financial year 1 November 2018 to 31 October 2019.

I am of the opinion that the liquidator's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 31 March 2020

Liquidator

Jesper Rothe
Lawyer

Independent auditor's report

To the shareholders of QuantumWise ApS under frivillig likvidation

Opinion

We have audited the annual accounts of QuantumWise ApS under frivillig likvidation for the financial year 1 November 2018 to 31 October 2019, 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 31 October 2019 and of the results of the company's operations for the financial year 1 November 2018 to 31 October 2019 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.

Emphasis of matter

We draw attention to the section "The most significant modifications caused by the liquidation" under Accounting policies used. The section describes the company's likely liquidation next year, and change of accounting policies as a result hereof.

We also draw attention to note 1 describing uncertainties concerning recognition and measurement, related to the liquidation and the ongoing review of transfer pricing activities of the value of intangible assets sold by the company in 2017.

Our conclusion is not modified as a result of this matter.

Liquidator's responsibilities for the annual accounts

The liquidator is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The liquidator 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.

Independent auditor's report

Auditor's responsibilities for the audit of the annual accounts

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

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

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used by the liquidator and the reasonableness of accounting estimates and related disclosures made by the liquidator.
- 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 liquidator's review

The liquidator is responsible for the liquidator'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

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 liquidator's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the liquidator'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 liquidator's review.

Copenhagen, 31 March 2020

Martinsen

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

Michael Marseen

State Authorised Public Accountant
mne32165

Company information

The company	QuantumWise ApS under frivillig likvidation Fruebjergvej 3 2100 København
	Company reg. no. 27 39 89 87 Domicile: Copenhagen Financial year: 1 November - 31 October 17th financial year
Liquidator	Jesper Rothe, Lawyer
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
Parent company	Synopsys International Limited, Ireland

Liquidator's report

The principal activities of the company

The company is under voluntary liquidation.

Development in activities and financial matters

The results from ordinary activities after tax are DKK -43.309 against DKK -1.210.143 last year. The management consider the results as expected.

It has not been possible to sell or close projects in time to liquidate the company this year. The company expects to close the company next year.

Accounting policies

The annual report for QuantumWise ApS under frivillig likvidation have been presented in accordance with the provisions under the Danish Financial Statements Act concerning companies identified as class B enterprises with the modifications caused by the liquidation.

The most significant modifications caused by the liquidation

Assets and liabilities are measured at realisable values. As a result of the liquidation, all assets are recognised under current assets, whereas all liabilities are recognised as short-term liabilities.

All value adjustments of assets and liabilities and any operating items in connection with the commencement of the liquidation have been recognised in the profit and loss account, including staff liabilities in connection with fees to the liquidator and the auditor, and other fees in connection with the liquidation.

Translation of foreign currency

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

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

Income statement

Gross loss

Gross loss comprises the revenue, direct costs and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Direct costs includes royalty payments.

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

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

Accounting policies

Net financials

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

Tax of the results for the year

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

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

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

The balance sheet

Tangible fixed assets

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

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

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

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

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

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

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

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

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.

Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

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

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

Financial fixed assets

Equity investments in group enterprises

Equity in group enterprises recognised in the statement of financial position as a proportional share of the enterprise's equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Accounting policies

Group enterprises with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

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

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Profit or loss in connection with the disposal of group enterprises are measured as the difference between the sales amount and the carrying amount of net assets at the time of sale, inclusive of remaining consolidated goodwill and expected costs of sale or liquidation. Profit and loss are recognised in the income statement under net financials.

For the acquisition of new group enterprises, the purchase method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for pre-determined restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of revaluations is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises and are amortised over their estimated useful economic life. The useful life is determined on the basis of management's experience in the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a longterm earnings potential. The carrying amount of goodwill is subject to impairment tests on a continuing basis and written down in the income statement in those cases when the carrying amount exceeds the expected future net income from the enterprise or the activity to which the goodwill is attached.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Accounting policies

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

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

Liabilities

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

Income statement 1 November - 31 October

All amounts in DKK.

<u>Note</u>	<u>2018/19</u>	<u>2017/18</u>
Gross loss	-464.042	14.244.691
2 Staff costs	0	-8.616.945
Depreciation and writedown relating to tangible fixed assets	<u>0</u>	<u>-47.770</u>
Operating loss	-464.042	5.579.976
Other financial income	0	306.416
Writedown relating to financial assets	0	-7
Other financial costs	<u>-4.638</u>	<u>-7.266.060</u>
Results before tax	-468.680	-1.379.675
3 Tax on ordinary results	<u>425.371</u>	<u>169.532</u>
Net profit or loss for the year	<u>-43.309</u>	<u>-1.210.143</u>
Proposed appropriation of net profit:		
Allocated from retained earnings	<u>-43.309</u>	<u>-1.210.143</u>
Total allocations and transfers	<u>-43.309</u>	<u>-1.210.143</u>

Statement of financial position 31 October

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Non-current assets		
4 Other plants, operating assets, and fixtures and furniture	<u>0</u>	<u>0</u>
Total property, plant, and equipment	<u>0</u>	<u>0</u>
5 Equity investments in group enterprises	<u>0</u>	<u>0</u>
Total investments	<u>0</u>	<u>0</u>
Total non-current assets	<u>0</u>	<u>0</u>
Current assets		
Receivable corporate tax	425.371	222.077
Other debtors	<u>0</u>	<u>131.276</u>
Total receivables	<u>425.371</u>	<u>353.353</u>
Available funds	<u>847.971</u>	<u>939.233</u>
Total current assets	<u>1.273.342</u>	<u>1.292.586</u>
Total assets	<u>1.273.342</u>	<u>1.292.586</u>

Statement of financial position 31 October

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity		
Contributed capital	618.508	618.508
Results brought forward	561.834	605.143
Total equity	<u>1.180.342</u>	<u>1.223.651</u>
Liabilities other than provisions		
Prepayments received from customers	0	7.831
Trade creditors	93.000	60.000
Debt to group enterprises	0	1.104
Total short term liabilities other than provisions	<u>93.000</u>	<u>68.935</u>
Total liabilities other than provisions	<u>93.000</u>	<u>68.935</u>
Total equity and liabilities	<u>1.273.342</u>	<u>1.292.586</u>

1 Uncertainties concerning recognition and measurement

6 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	Proposed dividend for the financial year	Total
Equity 1 November 2017	618.508	1.815.286	182.000.000	184.433.794
Distributed dividend	0	0	-182.000.000	-182.000.000
Profit or loss for the year brought forward	0	-1.210.143	0	-1.210.143
Equity 1 November 2018	618.508	605.143	0	1.223.651
Profit or loss for the year brought forward	0	-43.309	0	-43.309
	618.508	561.834	0	1.180.342

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The company has entered into liquidation and, as a result, the financial statements will be presented in accordance with the realisation principle.

The Danish Tax Agency are conducting a review of transfer pricing activities of the company. The Danish Tax Agency considers that the value of intangible assets sold by the company in 2017 should have included a tax amortization benefit. The Company is reviewing the information and is liaising with The Danish Tax Agency on this. The Danish Tax Agency haven't issued a revised tax assessment for 2017. No provision for any liability or estimation of financial effect of any adverse outcome has been made or disclosed in these financial statements, as such an outcome is not considered probable or estimable.

	<u>2018/19</u>	<u>2017/18</u>
2. Staff costs		
Salaries and wages	0	7.727.677
Pension costs	0	854.997
Other costs for social security	0	34.271
	<u>0</u>	<u>8.616.945</u>
Average number of employees	<u>0</u>	<u>15</u>
3. Tax on ordinary results		
Tax of the results for the year	-425.371	-222.077
Adjustment for the year of deferred tax	0	52.545
	<u>-425.371</u>	<u>-169.532</u>

Notes

All amounts in DKK.

4. Other plants, operating assets, and fixtures and furniture

Cost opening balance	0	952.246
Disposals during the year	0	-952.246
Cost end of period	0	0
Depreciation and writedown opening balance	0	-853.478
Depreciation for the year	0	-47.770
Reversal of depreciation, amortisation and writedown, assets disposed of	0	901.248
Depreciation and writedown end of period	0	0
Book value end of period	0	0

5. Equity investments in group enterprises

Acquisition sum, opening balance opening balance	0	590.629
Disposals during the year	0	-590.629
Cost end of period	0	0
Revaluations, opening balance opening balance	0	-1.718.717
Reversals for the year concerning disposals	0	1.718.717
Revaluation end of period	0	0

6. Contingencies

Joint taxation

Synopsys Denmark ApS, company reg. no 25600568 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 jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.