

Omada Services A/S

Østerbrogade 135, 2100 København Ø

CVR no. 28 13 36 18



Annual report 2015

Approved at the annual general meeting of shareholders on 28 April 2016

Chairman:



Building a better
working world



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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Omada Services A/S for the financial year 1 January - 31 December 2015.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 28 April 2016
Executive Board:



Morten Boel Sigurdsson
Chief Executive Officer



Christian Stendevad
Executive Vice President,
Sales



Jacob Olsen
Chief Financial Officer

Board of Directors:



Peter Bubandt Colsted
Chairman



Vladimir Kuznetsov



Eibrun Kweilen Hatleskog



Morten Boel Sigurdsson



Niels Molzen

Independent auditors' report

To the shareholders of Omada Services A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Omada Services A/S for the financial year 1 January - 31 December 2015, which comprise an 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.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 28 April 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Robert Christensen
state authorised public accountant



Thomas Kühn
state authorised public accountant



Management's review

Company details

Name	Omada Services A/S
Address, Postal code, City	Østerbrogade 135, 2100 København Ø
CVR No.	28 13 36 18
Established	1 October 2010
Financial year	1 January - 31 December
Website	www.omada.net
Board of Directors	Peter Bubandt Colsted, Chairman Vladimir Kuznetsov, Elbrun Kweilen Hatleskog Morten Boel Sigurdsson Niels Molzen
Executive Board	Morten Boel Sigurdsson, Chief Executive Officer Christian Stendevad, Executive Vice President, Sales Jacob Olsen, Chief Financial Officer
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P O Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank Nordea

Management's review

Operating review

The Company's business review

Omada Services A/S provides professional services within identity management and access governance, BI, SAP and Microsoft Infrastructures.

Financial review

In 2015, Omada Services A/S had significant revenue growth.

The 2015 income statement shows a profit after tax of DKK 10,724 thousand compared with DKK 10,433 thousand in 2014. The balance sheet shows equity of DKK 18,567 thousand.

This development reflects a strong underlying growth in business activities and leaves Omada Services A/S strongly positioned to participate in and execute Omada Group's further growth strategy in the coming years.

Post balance sheet events

No significant events have occurred subsequent to the financial year.

Outlook

Management expects to expand in 2016 and foresees that investments in expanding its resource pool will support growth and help exploit the Company's market opportunities.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2015	2014
	Gross profit	55,039	42,866
2	Staff costs	-43,603	-31,098
	Operating profit	11,436	11,768
	Income from investments in associates	1,806	1,406
3	Financial income	490	220
4	Financial expenses	-262	-21
	Profit before tax	13,470	13,373
5	Tax for the year	-2,746	-2,940
	Profit for the year	10,724	10,433
	Proposed profit appropriation		
	Extraordinary dividend distributed	5,000	10,500
	Net revaluation reserve according to the equity method	1,758	750
	Retained earnings/accumulated loss	3,966	-817
		10,724	10,433

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK'000	2015	2014
	ASSETS		
	Non-current assets		
6	Investments		
	Investments in group entities, net asset value	2,557	800
	Other receivables	4	4
		<u>2,561</u>	<u>804</u>
	Total non-current assets	<u>2,561</u>	<u>804</u>
	Current assets		
	Receivables		
	Receivables from group entities	35,944	31,712
	Other receivables	4	2
		<u>35,948</u>	<u>31,714</u>
	Cash	4,345	1,852
	Total current assets	<u>40,293</u>	<u>33,566</u>
	TOTAL ASSETS	<u>42,854</u>	<u>34,370</u>
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	2,000	2,000
	Net revaluation reserve according to the equity method	2,507	750
	Retained earnings	14,060	10,142
	Total equity	<u>18,567</u>	<u>12,892</u>
	Provisions		
	Other provisions	0	319
	Total provisions	<u>0</u>	<u>319</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	38	18
	Prepayments on work in progress	0	305
	Trade payables	5,607	2,356
	Payables to group entities	4,584	7,006
	Income taxes payable	2,746	2,940
	Other payables	11,312	8,534
		<u>24,287</u>	<u>21,159</u>
	Total liabilities other than provisions	<u>24,287</u>	<u>21,159</u>
	TOTAL EQUITY AND LIABILITIES	<u>42,854</u>	<u>34,370</u>

- 1 Accounting policies
- 8 Collateral
- 9 Contractual obligations and contingencies, etc.
- 10 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 January 2015	2,000	750	10,142	12,892
Profit/loss for the year	0	1,758	8,966	10,724
Exchange adjustment	0	0	-48	-48
Extraordinary dividend distributed	0	0	-5,000	-5,000
Equity at 31 December 2015	2,000	2,508	14,060	18,568

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Omada Services A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the company are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods and finished goods is recognised in revenue when transfer of the risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Income from construction contracts where the purchaser has significantly influenced the construction of the asset is recognised as revenue as the production activities are carried on, implying that revenue corresponds to the market value of the contract work performed (production method). This method is used where the total income and expenses and the degree of completion of the contract can be made up reliably.

Where the income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Licence and royalty income is recognised over the term of the agreement in accordance with the contents of the agreement.

Revenue from time-limited software licences is accrued and recognised on a straight-line basis over the term of the licence according to the licence agreement in question.

Sale of indefinite software licences is recognised as sale of goods whereby revenue is recognised when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Income from investments in group entities and associates

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries and associates after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

Financial income and expenses

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

Tax

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

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in group entities

On initial recognition, investments in subsidiaries and associates are measured at cost and subsequently at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Subsidiaries and associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method in so far as the carrying amount exceeds the acquisition cost.

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition or formation. Enterprises disposed of are recognised up to the date of disposal.

Acquisitions of new subsidiaries and associates are accounted for using the purchase method, according to which the assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of revaluations made is taken into account.

Impairment of fixed assets

Intangible assets, property, plant and equipment and investments in subsidiaries and associates are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there are indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Work in progress for third parties

Ongoing service supplies and work in progress for third parties are measured at the market value of the work performed less advances received. The market value is calculated on the basis of the percentage of completion at the balance sheet date and the total expected income from the relevant contract. The percentage of completion is made up based on costs incurred relative to the expected, total expenses on each individual work in progress.

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

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

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The value of each contract in progress less prepayments is classified as assets when the market value exceeds prepayments and as liabilities when prepayments exceeds the market value.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Equity

Reserve for net revaluation according to the equity method

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

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK'000		2015	2014
2 Staff costs			
Wages/salaries		42,308	30,187
Pensions		928	669
Other social security costs		367	242
		<u>43,603</u>	<u>31,098</u>
Average number of full-time employees		<u>51</u>	<u>37</u>
3 Financial income			
Interest receivable, group entities		256	208
Exchange adjustments		234	11
Other financial income		0	1
		<u>490</u>	<u>220</u>
4 Financial expenses			
Exchange adjustments		256	8
Other financial expenses		6	13
		<u>262</u>	<u>21</u>
5 Tax for the year			
Estimated tax charge for the year		2,746	2,940
		<u>2,746</u>	<u>2,940</u>
6 Investments			
DKK'000	Investments in group entities, net asset value	Other receivables	I alt
Cost at 1 January 2015	50	4	54
Cost at 31 December 2015	50	4	54
Value adjustments at 1 January 2015	750	0	750
Exchange adjustment	-48	0	-48
Share of the profit/loss for the year	1,805	0	1,805
Value adjustments at 31 December 2015	2,507	0	2,507
Carrying amount at 31 December 2015	<u>2,557</u>	<u>4</u>	<u>2,561</u>
	<u>Legal form</u>	<u>Domicile</u>	<u>Interest</u>
Associates			
Omada International ApS	ApS	København Ø	50.00 %

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK'000	2015	2014
7 Share capital		
The share capital consists of the following:		
2,000,000 shares of DKK 1.00 each	2,000	2,000
	2,000	2,000

The Company's share capital has remained DKK 2,000 thousand over the past 5 years.

8 Collateral

As security for the parent company Omada A/S' debt to banks, the Company has a joint suretyship.

The Company has not placed any further assets or other as security for loans and activities at 31/12 2015.

9 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Omada A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

10 Related parties

Omada Services A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Omada A/S	København Ø	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Omada A/S	København Ø	Publicly available