

Talentsoft Nordic ApS

Islands Brygge 43

2300 København S

CVR No. 28662033

Annual Report 2017

11. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31 May 2018

Jean-Stephane Jacques Arcis
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Talentsoft Nordic ApS for the financial year 1 January 2017 - 31 December 2017.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

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

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 31 May 2018

Executive Board

Jean-Stephane Jacques Arcis
Man. Director

The independent auditor's report

To the shareholders of Talentsoft Nordic ApS

Report on extended review of Financial Statements

We have performed an extended review of the Financial Statements of Talentsoft Nordic ApS for the financial year 2017. The Financial Statements which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity, notes and accounting policies, 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 controls as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the Financial Statements. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and FSP - Danish Auditors' Codes of Conduct and plan and perform procedures to obtain limited assurance about our opinion on the Financial Statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity personnel, performing analytical procedures and specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express any audit opinion on the Financial Statements.

Conclusion

Based on our extended review, in our opinion, the Financial Statements give a true and fair view of the Entity's financial position at 31 December 2017 and of the results of its operations for the financial year 1 January 2017 - 31 December 2017 in accordance with the Danish Financial Statements Act.

The independent auditor's report

Statement on Management commentary

Management is responsible for the Management commentary.

Our opinion on the financial statements does not cover the Management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management commentary and, in doing so, consider whether the Management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. We did not identify any material misstatement of the Management commentary.

København, 31 May 2018

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556

Jan Larsen

State Authorised Public Accountant

mne16541

Talentsoft Nordic ApS

Company details

Company	Talentsoft Nordic ApS Islands Brygge 43 2300 København S
Telephone	(+45) 58 51 50 95
Website	www.talentsoft.com
CVR No.	28662033
Date of formation	6 July 2006
Registered office	København
Financial year	1 January 2017 - 31 December 2017
Executive Board	Jean-Stephane Jacques Arcis, Man. Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S CVR-no.: 33963556

Management's Review

The Company's principal activities

The Company's principal activities consist of operating with sales and development of administrative IT Systems and related business.

The company is a subsidiary of Talentsoft SA and acts as agent for the parent company in the Danish market.

Capital resources

The Company has lost its share capital, and is thus subject to the rules regarding capital loss in Companies Act.

The Company is dependent on the necessary funding being made available by the company's shareholders. The Management expects the necessary funding to be made available by the company's partner or by own earnings, in order to restore the capital. The annual report is prepared under the assumption of going concern.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2017 - 31 December 2017 shows a result of DKK 230.575 and the Balance Sheet at 31 December 2017 a balance sheet total of DKK 10.630.719 and an equity of DKK -86.853.

Accounting Policies

Reporting Class

The Annual Report of Talentsoft Nordic ApS for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Grossprofit contains revenue and other external expenses.

Revenue

Revenue is recognized in the income statement if delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably and is expected. Revenue is recognized net of VAT and taxes and net of discounts relating to sales.

Other sales revenues are recognised as revenue according to the invoicing principle.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Accounting Policies

Balance Sheet

Other investments

Other investments are measured at amortised cost.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Other provisions

Other provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when, at the balance sheet date, the company has a legal or actual obligation and it is likely that settlement will result in the company spending financial resources.

Provisions that are expected to be settled later than a year from the balance sheet date are measured at the present value and the expected payments. Other provisions are measured at net realisable value.

Financial liabilities

Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest expense over the term of the loan.

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

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Income Statement

	Note	2017 kr.	2016 kr.
Gross profit		9.398.343	6.213.611
Employee benefits expense	1	9.151.401	6.138.350
Profit from ordinary operating activities		246.942	75.261
Finance income		6.787	0
Finance expences		23.154	10.615
Profit from ordinary activities before tax		230.575	64.646
Tax expense on ordinary activities		0	0
Profit		230.575	64.646
Proposed distribution of results			
Retained earnings		230.575	64.646
Distribution of profit		230.575	64.646

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Assets			
Deposits, investments		368.919	415.906
Investments		<u>368.919</u>	<u>415.906</u>
Fixed assets			
Short-term receivables from group enterprises		9.829.122	6.959.060
Other short-term receivables		210.192	299.820
Deferred income		4.742	9.573
Receivables		<u>10.044.056</u>	<u>7.268.453</u>
Cash and cash equivalents		<u>217.744</u>	<u>79.730</u>
Current assets		<u>10.261.800</u>	<u>7.348.183</u>
Assets		<u>10.630.719</u>	<u>7.764.089</u>

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Liabilities and equity			
Contributed capital		125.000	125.000
Retained earnings		-211.853	-442.428
Equity		-86.853	-317.428
Other provisions		184.919	0
Provisions		184.919	0
Debt to banks		8.070	26.385
Trade payables		257.567	597.189
Payables to group enterprises		8.443.142	5.795.588
Other payables		1.823.874	1.662.355
Short-term liabilities other than provisions		10.532.653	8.081.517
Liabilities other than provisions within the business		10.532.653	8.081.517
Liabilities and equity		10.630.719	7.764.089
Uncertainties relating to going concern	2		
Contingent liabilities	3		

Talentsoft Nordic ApS

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2017	125.000	-442.428	-317.428
Profit (loss)	<u>0</u>	<u>230.575</u>	<u>230.575</u>
Equity 31 December 2017	<u>125.000</u>	<u>-211.853</u>	<u>-86.853</u>

The share capital has remained unchanged for the last 5 years.

Notes

	2017	2016
1. Employee benefits expense		
Wages and salaries	8.521.083	5.772.844
Post-employment benefit expense	577.882	342.879
Social security contributions	52.436	22.627
	<u>9.151.401</u>	<u>6.138.350</u>
Average number of employees	<u>14</u>	<u>9</u>

By mistake, the average numbers of employees was in 2016 reported as 14. The mistake has be corrected.

2. Uncertainties relating to going concern

The Company has lost its share capital, and is thus subject to the rules regarding capital loss in Companies Act.

The Company is dependent on the necessary funding being made available by the company's shareholders. The Management expects the necessary funding to be made available by the company's partner or by own earnings, in order to restore the capital. The annual report is prepared under the assumption of going concern.

3. Contingent liabilities

The company's current lease can not be terminated until 31th of January 2019. The obligation during the period of ineligibility does not exceed DKK 430.000.

The company's leasing obligation for leasing cars does not exceed DKK 282.000.