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Zylinc A/S

Strandvejen 104A, 2900 Hellerup

Annual report
1 October 2015 - 30 September 2016

Company reg. no. 28 88 85 97

The annual report ~~have~~ been submitted and approved by the general meeting on the 10/2 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 Zylinc A/S for the financial year 1 October 2015 to 30 September 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 30 September 2016 and of the company's results of its activities in the financial year 1 October 2015 to 30 September 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.

Hellerup, 10 January 2017

Managing Director

René Viborg

Board of directors

Thomas Magnussen	Peter Stig Andersen	René Viborg
Andrew Dow Pierce	Niels Christian Nielsen	

The independent auditor's reports

To the shareholders of Zylinc A/S

Report on the annual accounts

We have audited the annual accounts of Zylinc A/S for the financial year 1 October 2015 to 30 September 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.

The management's responsibility 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. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts 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 the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 September 2016 and of the results of the company's operations for the financial year 1 October 2015 to 30 September 2016 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 further procedures in addition to the performed audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Esbjerg, 10 January 2017

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

Aage Brink Thomsen
State Authorised Public Accountant

Lars Æbelø-Nielsen
State Authorised Public Accountant

Company data

The company	Zylinc A/S Strandvejen 104A 2900 Hellerup	
	Company reg. no.	28 88 85 97
	Domicile:	Hellerup
	Financial year:	1 October - 30 September
Board of directors	Thomas Magnussen Peter Stig Andersen René Viborg Andrew Dow Pierce Niels Christian Nielsen	
Managing Director	René Viborg	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Edison Park 4 6715 Esbjerg N	
Bankers	Jyske Bank, Strandvejen 112, 2900 Hellerup	
Lawyer	Nielsen Nørager Advokatpartnerselskab, Frederiksberggade 16, 1459 København K	
Parent company	Viborg Holding ApS	
Subsidiary	Zylinc AB, Sweden	

Financial highlights

DKK in thousands.	2015/16	2014/15	2013/14	2012/13	2011/12
Profit and loss account:					
Gross profit	28.763	33.901	29.889	24.896	21.263
Results from operating activities	2.170	11.331	11.182	10.636	10.123
Net financials	1.200	347	-7	-81	-217
Results for the year	2.660	8.741	8.357	7.882	7.412
Balance sheet:					
Balance sheet sum	30.844	35.677	26.137	19.648	15.036
Investments in tangible fixed assets represent	59	167	0	0	0
Equity	23.608	26.205	17.464	13.107	5.225
Employees:					
Average number of full time employees	35	32	27	21	17
Key figures in %:					
Solvency ratio	76,5	73,5	66,8	66,7	34,7
Return on equity	10,7	40,0	54,7	86,0	487,8

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

Management's review

The significant activities of the enterprise

Zylinc continues to disrupt the world leading Nordic market for Unified Communications (UC) business suites with a new generation of open, vendor independent enterprise software solutions. The proprietary Zylinc Business Suite combines Information and Communication Technology (ICT) in a unique way to provide unparalleled strategic value to enterprises in terms of enabling supreme customer experience at lower costs, boost employee productivity and improve business process efficiency. In addition to offering the most advanced solutions in the market, the Zylinc Business Suite is highly reliable, secure and robust to such an extent that it is being used by the most demanding large enterprises for mission-critical applications.

Zylinc is at an important inflection point where focus is directed at transforming the Company from a local to an international supplier of UC business software solutions. This is a significant investment made by the Company, which will hurt short term financial results in favor of long term strategic positioning, which will catapult the Company into another high growth phase. The past 5 years the Company enjoyed top line growth of +40 % p.a. with highly positive profit margins. With the internationalization strategy in place, high growth is expected to resume from 2017 and on with top line growth rates at 40 % p.a. or more.

Zylinc's unique Business Suite is positioned in the fastest growing segments of UC with growth rates at 15-30 % p.a. in a market of around $8 billion in annual revenues. The Software solutions are installed either on Customer Placed Equipment (CPE), or offered as cloud based services (UCaaS) by hosting partners and telecom operators, or implemented in mixed environments (hybrid). The Software is licensed by Zylinc to enterprise customers.

The go-to-market strategy is primarily partner based. Partners such as systems integrators and telecom operators distribute (sub-license) the Software to their enterprise customers as required on CPE, in private or public clouds and in hybrid setups where parts of the Software are offered in a SaaS licensing model by the partner hosting the Software, while other parts of the Software are installed and operated on CPE. The Software may be operated either on the partner's hosted telephony platform on a subscription basis and offered to the partner's end users in a SaaS (Software-as-a-Service) licensing model, or installed and supported by the partner on CPE for the usage by the partner's customers.

The Business Suite comprises a portfolio of solutions including attendant console, contact center, service center, PC based switching, mobile presence, IP based contact center with numerous communication channels, as well as communication solutions for knowledge workers based on desktop PC, tablets, IP phones and smartphones.

In addition to the software solutions, the Company offers services assisting the customers to obtain maximum business value from the Business Suite through fast implementation and secure operations.

Development in activities and financial matters

The gross profit for the fiscal is TDKK 28.763 against TDKK 33.901 last year. Results from ordinary activities after tax are TDKK 2.659 against TDKK 8.740 the previous year. Management considers results satisfactory based on the fact that Zylinc in the fiscal year made significant investments in transforming the Company from being mainly a local provider in Denmark to going international on a substantial scale.

Management's review

The internationalization activities were funded out of operational cash flows, reducing profits somewhat in the past fiscal year compared to earlier years. The Company has a strong cash position generated from operational profits in previous years. The Company has no external investor capital or bank debts. Revenues were a bit lower compared to the previous year as the Company's resources were focused on strategic long-term, large-scale international business opportunities with deferred revenue contributions rather than short term local opportunities with significantly smaller but rapid revenue contributions.

The Company is pursuing an internationalization strategy, balanced by available funding resources provided by operational cash flows. Additional relevant competences are continuously added across the organization; the unique solution architecture is further improved; business functions and facilities are expanded to satisfy large international telecom partners and enterprise customers; market positions are developed on international levels. The substantial investments in the internationalization strategy funded out of operational cash flows means that operational margins were reduced compared to previous years.

Based on the unique systems architecture enabling agile development, easy customer installation, implementation, and maintenance, Zylinc is pursuing a sustainable business strategy accelerating its lead over competition and establishing a strong position in the fast growing market defined by business suites for Unified Communications (UC) to midsize and large enterprises. Zylinc's market awareness and footprint is continuously increasing, and Zylinc has become the leading provider in the Nordics of both CPE and cloud based UC business solutions (UCaaS) in collaboration with major telecom operators and systems integrators.

Zylinc's competitive advantages and prospects on an international level are fueled by the advanced technological state of the home market in the Nordics with early adoption of high performance broadband, IP telephony and fast mobile networks. The Nordic countries enjoy a substantial lead in ICT in general; UC technology adoption is far more advanced compared to the rest of the world, creating massive global opportunities for the Company in the years to come. Zylinc is continuously receiving unsolicited requests for its solutions from across the globe, reflecting a rapid surge in international demand. So far, due to its limited resources, Zylinc has only been able to take on a fraction of the many potential international customers and partners that have addressed the Company with requests for business.

Zylinc has delivered solutions to major enterprises in a handful of countries outside the Nordic area including Germany, UK, Holland and Belgium. Outside Europe, Zylinc has a large installed solution base in India. Counting global corporate customers' international affiliates, Zylinc solutions are now in operation in around 40 countries across the globe.

Although the Company is short in resources to execute a truly international strategy and serve enterprise customers globally, its capability is enhanced by the increasingly web based roll-out strategy, quality of solutions and highly competent staff.

Management's review

Thanks to its unparalleled systems architecture, the Zylinc UC Business Suite is easier to integrate, implement, operate, customize, support and maintain than any competitive offering in the market. This permits global enterprise customers' central IT departments, after short training by Zylinc staff, to roll out and support the Zylinc solutions across departments worldwide. The Zylinc solution architecture is so agile that it even allows enterprise customers to develop their own supplementary solutions on top of the platform. Zylinc supports the entire multinational corporation through its central IT functions and web connections.

Zylinc offers the most comprehensive and feature rich Business Suite with the broadest appeal in the market in terms of end user roles as well as enterprise customer types. All employees in the enterprise organization can benefit from the Zylinc Business Suite, which delivers the highest degree of security, reliability and operational efficiency, making the Suite attractive for mission critical business applications even in the largest and most demanding enterprises.

The Zylinc Business Suite fulfills all five characteristics of a successful UC offering according to Gartner Group:

User experience — Zylinc's solutions consistently deliver high quality end user experiences across a wide range of roles and functions of employees in a major enterprise:

- **Customer service agents** are enabled to provide faster and more personalized responses to customer requests;
- **Attendants** are supported to provide swift and precise switching of customers to a relevant and available employee who can provide a professional service to the customer;
- **Supervisers** are provided tools and statistics helping them manage the workforce effectively;
- **Knowledge workers**, whether stationary or mobile, are empowered to interact effectively with both colleagues and key customers, enhancing the customer service experience substantially and improving workforce productivity across the entire organization.

Mobility — Zylinc fulfills user expectations of complete UC functionality on mobile devices and integration of mobile devices with desktop and back-office systems, allowing for a powerful virtual work environment in the modern hyper-communicating mobile enterprise.

Interoperability — Zylinc empowers enterprises to avoid technological "closed gardens" and vendor lock-in, while fully enabling intercompany B2B, business-to-partner (B2P) and business-to-consumer (B2C) data and communication federation.

Cloud and hybrid — Zylinc's open and flexible systems architecture facilitate integration of on-premises UC with cloud and hybrid UC services;.

Broad solution appeal — Zylinc's solutions have proven to be attractive to a broad and diverse audience of enterprise decision influencers including end users, IT and communications professionals as well as members of the executive office.

Management's review

Zylinc's installed base counts more than 500.000 enterprise users in Europe. In addition, India's second largest telecom operator has distributed several hundred thousand licenses of an older version of Zylinc's software.

Zylinc's solutions have a compelling value proposition, enabling enterprises to gain sustainable competitive advantages through mission critical applications enhancing customer service levels, accelerating business processes and improving employee productivity.

For telecom partners in a highly competitive environment with increasing pressures on revenues and market shares, the Zylinc Business Suite provides a convincing and documented set of competitive advantages helping improve strategic positions in the following areas:

- Attracting high-value enterprise customers with feature-rich business relevant solutions;
- Increased customer satisfaction with quality solutions fulfilling real customer needs;
- "Stickiness" with strategic benefits for customers, attracting and retaining them to the solutions;
- Reduced churn through improved customer loyalty, significantly reducing loss of subscribers;
- Increased "ARPU" (Average Revenues per User) through cross-selling of additional products and services generating higher revenues per user

The expected development

Management will continue execution of the internationalization strategy with positive relations to all major platform vendors, notably BroadSoft, Microsoft, Cisco and IBM. Zylinc's business suite is technically certified for integration with these vendors. Management expects further acceleration in the distribution of products and services, particularly in international markets in partnership with major telecom operators.

The supremely agile solution architecture and highly talented pool of software developers enable the Company to move fast in response to changes in customer needs and markets, thus extending its business suite's already substantial lead over competition.

Digitalization of telecommunications and its convergence with information technology will continue to drive the Unified Communications (UC) market, which has entered the rapidly growing early mainstream adoption phase.

Enterprises of all sizes, vertical markets and geographies will be taking advantage of the many benefits UC provides, based on the ability to significantly improve how individuals, groups and enterprises interact and perform.

According to a study from Synergy Research Group, the fastest growing segments of UCaaS are business solutions delivered over the web. Zylinc is firmly positioned to compete effectively in these hyper-growth markets in collaboration with major telecom operators.

Management's review

Zylinc's solution suite is deeply integrated with BroadSoft's BroadWorks platform. BroadSoft has provided its cloud-based PBX to more than 600 telecom operators across the globe. They will use the BroadSoft PBX platform for deployment of their cloud-based UC offering. This telecom operator base is an outstanding globalization avenue for Zylinc, enabling a straight forward roll-out of the business solution suite. BroadSoft has taken a keen interest in the Zylinc solution portfolio.

As Zylinc's solutions are usually mission critical to enterprise users, the Company is experiencing virtually zero churn in the customer base. Existing customers expand the use of the Zylinc solutions, and an increasing number of new enterprise accounts are added to the customer base. This snowballing effect will ensure accelerating growth in future revenues.

Events subsequent to the financial year

No events have occured subsequent to the balance sheet date, which would have materiale impect on the financial position af the company.

Accounting policies used

The annual report for Zylinc 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 used are changed in relation to the presentation of expected dividend distributed for the year, which is recognised as a separate item under the equity. In the annual report for 2014/15 dividend was presented as i liability.

Except from the above change the accounting policies 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.

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.

Accounting policies used

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.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

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.

Results from equity investments in group enterprises

Accounting policies used

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.

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:

Other plants, operating assets, fixtures and furniture	3-5 years

Accounting policies used

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.

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.

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 they are amortised over their estimated useful life. The useful life is determined on the basis of the management's experience with the individual business areas. The amortisation period is maximum 7 years, being the longer for strategical acquirees with a strong market position and a long-range earnings potential. The book value of goodwill is evaluated currently and written down in the profit and loss account in those cases where the book value exceeds the expected future net income from the enterprise or the activity, to which the goodwill is attached.

Depostis

Deposits are measured at cost unless the realisable value is lower.

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.

Accounting policies used

Available funds

Available funds comprise cash at bank and in hand.

Equity

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

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, Zylinc 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. The estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

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

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 October - 30 September

All amounts in DKK.

Note		2015/16	2014/15
	Gross profit	**28.763.319**	**33.901.354**
1	Staff costs	-25.766.500	-21.746.904
	Depreciation and writedown relating to tangible fixed assets	-826.928	-823.252
	Operating profit	**2.169.891**	**11.331.198**
	Income from equity investments in group enterprises	830.174	146.173
	Income from other equity investments	-77.671	-254.249
	Other financial income	531.140	432.220
2	Other financial costs	-83.950	23.019
	Results before tax	**3.369.584**	**11.678.361**
3	Tax on ordinary results	-709.725	-2.937.472
	Results for the year	**2.659.859**	**8.740.889**

Proposed distribution of the results:

Reserves for net revaluation as per the equity method	820.349	203.447
Dividend for the financial year	0	5.000.000
Allocated to results brought forward	1.839.510	3.537.442
Distribution in total	**2.659.859**	**8.740.889**

Balance sheet 30 September

All amounts in DKK.

Note	Assets	2016	2015
	Fixed assets		
4	Other plants, operating assets, and fixtures and furniture	165.815	315.366
	Tangible fixed assets in total	165.815	315.366
6	Equity investments in group enterprises	4.511.361	4.557.173
7	Other securities and equity investments	0	4.745.751
	Deposits	202.212	174.223
	Financial fixed assets in total	4.713.573	9.477.147
	Fixed assets in total	**4.879.388**	**9.792.513**
	Current assets		
	Trade debtors	10.553.052	11.120.618
	Amounts owed by group enterprises	1.312.235	2.850.650
	Deferred tax assets	93.200	99.100
	Other debtors	652	647
	Accrued income and deferred expenses	531.726	483.220
	Debtors in total	12.490.865	14.554.235
	Other securities and equity investments	0	997.488
	Securities in total	0	997.488
	Available funds	13.473.355	10.332.304
	Current assets in total	**25.964.220**	**25.884.027**
	Assets in total	**30.843.608**	**35.676.540**

Balance sheet 30 September

All amounts in DKK.

Note	Equity and liabilities	2016	2015
	Equity		
8	Contributed capital	1.000.000	1.000.000
9	Reserves for net revaluation as per the equity method	1.023.796	203.447
10	Results brought forward	21.583.983	20.001.888
11	Proposed dividend for the financial year	0	5.000.000
	Equity in total	**23.607.779**	**26.205.335**
	Liabilities		
	Bank debts	642	0
	Trade creditors	912.455	855.150
	Corporate tax	703.825	2.925.022
	Other debts	5.118.907	5.191.033
	Accrued expenses and deferred income	500.000	500.000
	Short-term liabilities in total	7.235.829	9.471.205
	Liabilities in total	**7.235.829**	**9.471.205**
	Equity and liabilities in total	**30.843.608**	**35.676.540**

12 Mortgage and securities

13 Contingencies

Notes

All amounts in DKK.

		2015/16	2014/15
1.	**Staff costs**		
	Salaries and wages	22.569.578	18.862.089
	Pension costs	1.747.007	1.453.596
	Other costs for social security	85.268	69.840
	Other staff costs	1.364.647	1.361.379
		25.766.500	**21.746.904**
	Average number of employees	35	32
2.	**Other financial costs**		
	Other financial costs	83.950	-23.019
		83.950	**-23.019**
3.	**Tax on ordinary results**		
	Tax of the results for the year, parent company	703.825	2.925.022
	Adjustment for the year of deferred tax	5.900	12.450
		709.725	**2.937.472**

		30/9 2016	30/9 2015
4.	**Other plants, operating assets, and fixtures and furniture**		
	Cost opening balance	1.254.669	1.087.774
	Additions during the year	58.806	166.895
	Cost closing balance	**1.313.475**	**1.254.669**
	Depreciation and writedown opening balance	-939.303	-734.622
	Depreciation and writedown for the year	-208.357	-204.681
	Depreciation and writedown closing balance	**-1.147.660**	**-939.303**
	Book value closing balance	**165.815**	**315.366**

Notes

All amounts in DKK.

		30/9 2016	30/9 2015
5.	**Decoration rented premises**		
	Cost opening balance	493.242	414.822
	Additions during the year	0	78.420
	Cost closing balance	**493.242**	**493.242**
	Depreciation and writedown opening balance	-333.100	-212.875
	Depreciation and writedown for the year	-108.676	-120.225
	Depreciation and writedown closing balance	**-441.776**	**-333.100**
	Book value closing balance	**51.466**	**160.142**
6.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance opening balance	5.126.940	5.126.940
	Translation by use of the exchange rate valid on balance sheet date	-247.590	0
	Cost closing balance	**4.879.350**	**5.126.940**
	Revaluations, opening balance opening balance	203.447	57.274
	Translation by use of the exchange rate valid on balance sheet date	-9.825	0
	Results for the year before goodwill amortisation	830.174	146.173
	Revaluation closing balance	**1.023.796**	**203.447**
	Amortisation of goodwill, opening balance opening balance	-773.214	-154.643
	Amortisation of goodwill for the year	-618.571	-618.571
	Depreciation on goodwill closing balance	**-1.391.785**	**-773.214**
	Book value closing balance	**4.511.361**	**4.557.173**
	The items include goodwill with an amount of	3.610.482	2.850.380

Group enterprises:

	Domicile	Share of ownership
Zylinc AB	Sweden	100 %

Notes

All amounts in DKK.

		30/9 2016	30/9 2015
7.	**Other securities and equity investments**		
	Cost opening balance	5.000.000	0
	Additions during the year	0	5.000.000
	Disposals during the year	-5.000.000	0
	Cost closing balance	**0**	**5.000.000**
	Nedskrivninger opening balance	-254.249	0
	Writedown for the year	0	-254.249
	Writedown, securities disposed of	254.249	0
	Nedskrivninger closing balance	**0**	**-254.249**
	Book value closing balance	**0**	**4.745.751**
8.	**Contributed capital**		
	Contributed capital opening balance	1.000.000	1.000.000
		1.000.000	**1.000.000**
9.	**Reserves for net revaluation as per the equity method**		
	Reserves for net revaluation opening balance	203.447	0
	Share of results	820.349	203.447
		1.023.796	**203.447**
10.	**Results brought forward**		
	Results brought forward opening balance	20.001.888	16.464.446
	Profit or loss for the year brought forward	1.839.510	3.537.442
	Exchange rate adjustment group enterprises	-257.415	0
		21.583.983	**20.001.888**
11.	**Proposed dividend for the financial year**		
	Dividend for the financial year	0	5.000.000
		0	**5.000.000**

Notes

All amounts in DKK.

12. Mortgage and securities

No mortgage and securities.

13. Contingencies

Contingent liabilities

The company has entered into al lease contracts with an average payment of DKK 1.043 The lease contract is irrevocable until end of 2017 and the total liability is DKK 1.043 thousand

Joint taxation

Viborg 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 corporation tax represents an estimated maximum of DKK 0 thousand. The liability relating to obligations in connection with withholding taxes represents an estimated maximum of DKK 1.237 thousand.

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